About this report

This report is an export of the individual Signatory organisation responses to the PRI Service Provider Reporting Framework during the 2019 reporting period. It shows your responses to mandatory indicators, as well as responses to voluntary indicators that your organisation has agreed to make public. You will be able to access the public RI Transparency report of your organisation and that of other signatories on the PRI website.

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 an Index which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Index

The Index summarises the response status for the individual indicators and modules. It can be used by stakeholders as an ‘at a glance’ summary of reported information and to identify particular themes or areas of interest.

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

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔</td>
<td>The signatory has completed all mandatory parts of this indicator</td>
</tr>
<tr>
<td>☑</td>
<td>The signatory has completed some parts of this indicator</td>
</tr>
<tr>
<td>⚫</td>
<td>This indicator was not relevant for this signatory</td>
</tr>
<tr>
<td>-</td>
<td>The signatory did not complete any part of this indicator.</td>
</tr>
<tr>
<td>🔜</td>
<td>The signatory has flagged this indicator for internal review</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Short description</th>
<th>Status</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>OO 01</td>
<td>Basic information</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>OO 02</td>
<td>Reporting year</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>OO 03</td>
<td>Signatory category and services</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>OO 04</td>
<td>Other offerings/business activities</td>
<td>⬇️</td>
<td>n/a</td>
</tr>
<tr>
<td>OO 05</td>
<td>Breakdown of ESG coverage</td>
<td>✔</td>
<td>Asset mix disclosed in OO 06</td>
</tr>
<tr>
<td>OO End</td>
<td></td>
<td>✔</td>
<td>-</td>
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</tbody>
</table>

## Strategy and Governance

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Short description</th>
<th>Status</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>SG 01</td>
<td>Responsible investment policy</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 02</td>
<td>Norms used to develop policies</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 03</td>
<td>Policy offerings to clients</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 04</td>
<td>ESG/RI in business offerings</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 05</td>
<td>Outsourcing of services</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 06</td>
<td>Providing training/education</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 07</td>
<td>Applying, advancing and promoting the PRI principles</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 08</td>
<td>Actions taken to promote responsible investment</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 09</td>
<td>Long term trends</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 10</td>
<td>Interaction with asset owners</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 11</td>
<td>Aligning approach with investor goals</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 12</td>
<td>ESG recommendations not aligned with investor goals</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 13</td>
<td>Seeking feedback from clients</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG 14</td>
<td>Managing conflicts of interest</td>
<td>✔</td>
<td>Public</td>
</tr>
<tr>
<td>SG End</td>
<td></td>
<td>✔</td>
<td>-</td>
</tr>
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</table>
# Investment Consultancy

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Short description</th>
<th>Status</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>IC 01</td>
<td>Advisory and consultancy services</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 02</td>
<td>Assets under advisement</td>
<td>✓</td>
<td>Private</td>
</tr>
<tr>
<td>IC 03</td>
<td>Fiduciary manager services</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 04</td>
<td>ESG in contracts with clients</td>
<td>✓</td>
<td>Private</td>
</tr>
<tr>
<td>IC 05</td>
<td>Custodian services</td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>IC 06</td>
<td>RI and ESG in clients’ investment policy development</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 07</td>
<td>ESG incorporation into strategic asset allocation</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 08</td>
<td>Scenario analysis and/or modelling</td>
<td>✓</td>
<td>Private</td>
</tr>
<tr>
<td>IC 09</td>
<td>Demonstrating value on asset allocation</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 10</td>
<td>Investment research activities</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 11</td>
<td>Demonstrating value on investment research</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 12</td>
<td>ESG in manager selection, appointment and monitoring</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 13</td>
<td>Manager selection activities</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 14</td>
<td>Incorporating asset owners’ investment principles in selection of manager</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 15</td>
<td>ESG in selection due diligence</td>
<td>✓</td>
<td>Public</td>
</tr>
<tr>
<td>IC 16</td>
<td>Monitoring investment managers on ESG</td>
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</tr>
<tr>
<td>IC 17</td>
<td>Reporting back to asset owners</td>
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</tr>
<tr>
<td>IC 18</td>
<td>Demonstrating value on manager selection, appointment and monitoring</td>
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</tr>
<tr>
<td>IC 19</td>
<td>ESG in manager selection, appointment and monitoring</td>
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<td>Private</td>
</tr>
<tr>
<td>IC End</td>
<td></td>
<td>✓</td>
<td>-</td>
</tr>
</tbody>
</table>
Redington

Reported Information

Public version

Organisational Overview

PRI disclaimer
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### Basic Information

<table>
<thead>
<tr>
<th><strong>OO 01</strong></th>
<th><strong>Mandatory</strong></th>
<th><strong>Public</strong></th>
<th><strong>Descriptive</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OO 01.1</strong></td>
<td>Select the location of your organisation's headquarters.</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>United Kingdom</td>
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<tr>
<td><strong>OO 01.2</strong></td>
<td>Indicate the number of countries in which you have offices (including your headquarters).</td>
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</tr>
<tr>
<td></td>
<td>1</td>
<td></td>
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<tr>
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<td>2 - 5</td>
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<tr>
<td></td>
<td>6 - 10</td>
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</tr>
<tr>
<td></td>
<td>11 - 50</td>
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</tr>
<tr>
<td></td>
<td>&gt;50</td>
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</tr>
<tr>
<td><strong>OO 01.3</strong></td>
<td>Indicate the regions where you have offices.</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Africa/Middle East</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Asia (excluding Japan &amp; Korea)</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Australasia</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Canada</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Continental Europe</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Japan &amp; Korea</td>
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<tr>
<td></td>
<td>Nordic</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>South America</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UK &amp; Ireland</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>US</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OO 01.4</strong></td>
<td>Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>FTE</td>
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<td>143</td>
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</table>

### Reporting Year

<table>
<thead>
<tr>
<th><strong>OO 02</strong></th>
<th><strong>Mandatory</strong></th>
<th><strong>Public</strong></th>
<th><strong>Descriptive</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OO 02.1</strong></td>
<td>Indicate the year end date for your reporting year.</td>
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<tr>
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<td>31/03/2019</td>
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</table>
### Signatory category and services

<table>
<thead>
<tr>
<th>OO 03</th>
<th>Mandatory</th>
<th>Public</th>
<th>Gateway</th>
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</thead>
<tbody>
<tr>
<td><strong>OO 03.1</strong></td>
<td>Indicate which of the following categories reflect your core offering or main business activity:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Reporting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Active Ownership Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ Investment consultancy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Research and Data Provision</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Other, specify (1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Other, specify(2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OO 03.2</strong></td>
<td>Indicate any other business activities that your organisation offers. Indicate whether you wish to report on these business areas.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Reporting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Active Ownership Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Research and Data provision</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Other, specify (3)</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>□ Other, specify (4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ None of the above</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
Redington

Reported Information

Public version

Strategy and Governance

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Policy on ESG beliefs

SG 01.1 Describe how your organisation’s philosophy incorporates environmental, social and governance factors, and the link to your business offerings.

Redington’s mission is to make 100 million people financially secure. We believe that Responsible Investment over a long term time horizon is well aligned with this mission statement. A sustainable financial system and stable environment (political, social and physical) is a key to achieving widespread financial security.

As a mission-oriented and employee-owned firm we are not attempting to solely maximise profits. We are aiming to build a sustainable business that will ultimately have a global footprint.

We feel that our core values underpin the way that we work with clients and create a strong platform for Responsible Investment. In order to incorporate ESG factors into our business offerings it is important to do what's right (do the difficult thing even if it entails extra work or is a message people don't want to hear); strive for better (fully incorporating ESG factors requires change from the status quo); and finally to focus on what matters by being clear in our communications with Redington employees, clients, asset managers and the rest of the industry about our expectations.

SG 01.2 Indicate whether you have policies that formalise the incorporation of your ESG beliefs in your business offerings.

☐ Yes

SG 01.3 Indicate the components/types of your internal policy and provide the URL and/or an attachment of the document/s if they are publicly available.

Policy components/types

☑ Policy setting out your overall ESG/RI approach

Public availability

☐ URL
☐ Attachment
☑ Not publicly available
☐ Formalised guidelines on environmental factors
☐ Formalised guidelines on social factors
☐ Formalised guidelines on corporate governance factors
☐ Formalised guidelines on engagement approach
☐ Formalised guidelines on (proxy) voting approach
☐ Other, specify (1)
☐ Other, specify (2)
☐ None of the above
SG 01.4  Indicate how these are put into practice internally across the organisation.

- ☑ Regular employee training on RI/ESG
- ☑ Regular RI/ESG policy awareness building for employees
- ☑ Establishment of policy review committee/team
- ☑ Remuneration linked to achieving ESG objectives
- ☑ Annual performance incentives
- ☐ Other, specify (1)
- ☐ Other, specify (2)
- ☐ Other, specify (3)
- ☐ No

SG 02  Mandatory  Public  Descriptive

SG 02.1  Indicate what frameworks and guidelines you have used to develop your organisation’s policies. Tick all that apply.

- ☑ UN Principles for Responsible Investment
- ☑ UN Global Compact Principles
- ☐ UN Guiding Principles on Business and Human Rights
- ☐ Universal Declaration of Human Rights
- ☐ UN Sustainable Development Goals
- ☐ International Bill of Human Rights
- ☐ International Labour Organisation Conventions
- ☐ IFC Performance Standards
- ☐ United Nations Convention Against Corruption
- ☐ OECD Principles of Corporate Governance
- ☐ OECD Guidelines for Multinational Enterprises
- ☐ GRI standards
- ☐ Other, specify (1)
- ☐ Other, specify (2)
- ☐ Other, specify (3)
- ☐ None of the above

SG 03  Mandatory  Public  Descriptive

SG 03.1  Indicate whether you offer standard, off the shelf, policies to clients as part of your product offerings, and/or whether you create tailored versions for individual clients.
### Asset class-specific RI guidelines
- Whether we believe that ESG integration; reporting of ESG factors; and engagement on ESG issues is possible in the asset class.

### RI guidelines and implementation plans
- Can be developed in conjunction with the client and are comprised of two parts:
  1. A description of the client's RI beliefs (which can be shared publicly)
  2. An internal document which includes detailed information on asset classes and implementation. This document is used by the client and the consulting team to inform Asset Allocation decisions.
**SG 04.1** Briefly describe how you include ESG/RI factors as part of your business offerings.

**Business area**

| Investment Consultancy |

**How you include ESG/RI factors**

We use a framework that we call ROSIE (research, objectives, strategy, implementation, evaluation). We currently integrate ESG into this framework as described below.

**Research**: survey key stakeholders and determine Responsible Investment beliefs. Carried out on request.

**Objectives**: translate RI beliefs into measurable, achievable objectives.

**Strategy**: incorporate RI beliefs & objectives (eg desire to allocate to sustainable assets) into the Strategic Asset Allocation model. This is currently carried out where we know that a client has a stated objective.

**Implementation**: We assess the approach of asset managers to managing ESG risks (in all asset classes). The Manager Research team’s relative assessment of an asset manager’s capability to manage ESG risks is a key selection factor when picking a Preferred Manager.

If a client has a stated ESG objective, where possible, we work with asset managers to include RI requirements in the contract between the asset owner and asset manager.

**Evaluation**: we assess the ESG credentials of asset managers in our ongoing maintenance research and we utilise PRI ratings as a key discussion point. If clients have a stated ESG objective we are able to work with asset managers to find metrics against which the asset manager’s performance can be evaluated.

**SG 04.2** Indicate the roles in your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for ESG/RI within the organisation.
<table>
<thead>
<tr>
<th>Roles present in your organisation</th>
<th>Oversight/accountability for ESG/RI</th>
<th>Implementation of ESG/RI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Directors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Executive Officer (CEO), Chief Financial Officer (CFO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Operating Officer (COO), Chief Information Officer (CIO)</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Other chief-level staff</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Please specify</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CIO, Global Assets</td>
<td></td>
</tr>
<tr>
<td>Other heads of department</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td></td>
<td>Please specify</td>
<td>Please specify</td>
</tr>
<tr>
<td></td>
<td>Head of Manager Research</td>
<td>Head of Manager Research</td>
</tr>
<tr>
<td></td>
<td>Head of Investment Consulting</td>
<td>Head of Investment Consulting</td>
</tr>
<tr>
<td>Dedicated ESG/RI staff</td>
<td></td>
<td>☑</td>
</tr>
<tr>
<td>Other role, specify (1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other role, specify (2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other role, specify (3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>None of the above</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SG 04.3 | Indicate how you ensure ESG/RI expertise for the roles where there are RI oversight/accountability or implementation responsibilities.

- Staff training on ESG/RI incorporation
- Including ESG/RI knowledge factors in personal development goals
- Having development plans that aim to enhance ESG/RI knowledge of certain departments/teams/individuals
- Including ESG in selection requirements when hiring new employees
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- Other, specify (4)

SG 04.4 | Indicate whether your organisation has any ESG/RI linked incentives for its employees.

- Yes

SG 04.5 | Describe the ESG/RI linked incentives.

ESG is included in the performance objectives of relevant members of staff through our performance management system, Clear Review. The objective may be temporary or permanent depending on the nature of the work being carried out.

Compensation at Redington is determined by 4 key contributory factors including performance, contribution, behaviour and personal growth. Also considered is how aligned the individuals are with our values, information provided by their team leaders and how they have met key performance indicators throughout the year.

Clear Review is our continuous performance management and feedback system which records all of this information used in our pay/ promotion discussions. Bonuses are discretionary and dependent on company and individual performance.

- No
- Not applicable, we ensure that employees incorporate ESG/RI into services through other mechanisms.

SG 05 | Mandatory to Report Voluntary to Disclose | Public | Descriptive

SG 05.1 | Indicate whether you outsource some of your services. Report percentage of services outsourced as percentage for that specific business area.

Business area

- Investment Consultancy
- None of the above

SG 06 | Mandatory | Public | Descriptive
SG 06.1  Indicate whether you provide training/educational services on ESG/RI. Tick all that apply.

☐ Board/trustee training
☐ Investment manager training
☐ Regulatory bodies/authorities or public policy makers
☐ Corporate executive training
☐ ESG analyst training
☐ Other, specify (1)
☐ Other, specify (2)
☐ Other, specify (3)
☐ Other, specify (4)
☐ None of the above

SG 06.2  Describe the main components of your training/educational services on ESG/RI and any variations depending on the group you provide training/education to.

Our training covers both information delivered by written material and presentation and interactive training sessions.

Training covers the following areas:

- Definitions
- Regulatory backdrop
- Financial materiality of ESG considerations
- Overview of other institutional investors
- Working with asset managers
- Setting beliefs

SG 06.3  Describe whether these training/educational services include any commercial elements.

Education of this type is provided as part of our fixed fee services for retained clients. For project clients a fee may be incurred.

SG 07      Mandatory    Public    Descriptive

SG 07.1  Describe how your organisation applies, advances and promotes the PRI Principles.

1. We support clients to make ESG statements in their Statement of Investment Principles more robust; we assess the capabilities of Asset Managers to incorporate ESG issues in every asset class we research.

2. In line with the updated occupational pension scheme investment regulations we view engagement as engagement with Asset Managers on their approach to ESG, as well as engagement with underlying companies on ESG issues.

3. In summer 2017 we carried out a review of the reporting that asset managers with whom we have a mutual client were able to provide. As a result of this review we have implemented MSCI ESG Manager and produce reporting using this tool for equity asset classes as well as continuing to request ESG reporting from asset managers.

4. We include questions relating to the principles in our RFP questions to managers and during face to face manager meetings. Where we carry out Manager Reporting for our clients we ask Asset Managers to
provide PRI rating (if a signatory). If they are not a signatory we ask them why, and we review their RI statement against the principles.

5. We support and participate in PRI working groups - specifically Honor Fell is a member of the Passive Investment Working Group and Christoforos Bikos has been appointed to the Fixed Income Advisory Committee.

6. We are positive about reporting to the PRI and we are looking forward to receiving feedback on our progress.

SG 07.2 Highlight whether there are any ways that your organisation would like to engage further with the PRI. [OPTIONAL]

Redington would like to engage with the PRI. In particular we would like to engage on the following topics:

- Reporting by Asset Managers and Investment Consultants to Asset Owners
- Manager research
- Defined Contribution Pensions Schemes
- Fixed income
- Aligning long term interests with asset manager incentives
- Climate risk as a systemic risk for long term asset owners
- Communication with retail investors and pension scheme members on ESG characteristics of their portfolios

SG 08 Mandatory Public

SG 8.1 Indicate which of the following actions your organisation has taken to promote responsible investments during the reporting year, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoken publicly at events and conferences to promote responsible investment
- Written and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Written and published articles on responsible investment in the media
- Policy engagements and other interactions
- Other, specify
- None of the above

SG 8.2 Additional information. [OPTIONAL]

- Redington provide RI education for clients.
- The Redington Manager Research team engage with Asset Managers to encourage better transparency and disclosure of RI practices. The findings of the team are passed on to our clients.
- Redington employees have spoken publicly at a number of events and conferences about our approach to RI.
- Redington encourage the adoption of the PRI through publicly stating our membership and explaining to clients and managers the obligations of the PRI.
- Redington have written a number of articles on RI which have been published widely.

### SG 09

**Mandatory** | **Public** | **Descriptive**
---|---|---

**SG 09.1** | Indicate which of the following long-term trends are addressed in your product outputs.
- Changing demographics
- Climate change

**SG 09.2** | Explain how this long-term trend affects your product outputs.

We have carried out a specific project with one of our clients to achieve a climate change objective. The project involved working with the client; the index provider; and the asset manager in order to map the client objectives and to develop a solution.

We are seeing an increasing demand for this type of solution and are working with several other clients on this topic.

We also expect our ‘mainstream’ Preferred Managers to consider this long-term trend where applicable.

We supported our clients on the response to an open letter from the Environmental Audit Committee to the top 25 pension funds in the UK asking how they manage risks that climate change poses to pension savings. We have also provided education to clients on the implications & feasibility of TCFD reporting.

- Resource scarcity
- Technology developments
- Other, specify (1)
- Other, specify (2)
- None of the above

### SG 10

**Mandatory** | **Public**
---|---

**SG 10.1** | Indicate whether you interact with asset owner clients.
- Yes, we do

**SG 10.2** | Indicate the typical frequency and type of interactions with your asset owner clients.

**Type of interaction**
- Board of trustee meetings
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☑️ Investment committee meetings

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☑️ Trustee training workshops

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<td>☒ Ad-hoc basis</td>
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<td>○ Other, specify</td>
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☑️ Formal regular meetings outside of committee meetings
SG 11  Mandatory  Public  Descriptive

SG 11.1 Describe how you typically align your organisation’s philosophy and approach to ESG/RI with your investor clients’ goals.

Describe

Redington’s mission is to make 100 million people financially secure. By its nature this is a long term goal. We feel that this mission is well aligned with a sustainable approach to investing over the long term and also with the obligations of our clients to meet their financial obligations.

We believe that Redington’s mission means that we are well aligned to the overall philosophy of our clients. However, we recognise that the strategic goals and needs of individual clients vary, and the objectives of the client always determine our starting point when giving advice. As a goal-oriented consultant a key part of taking on a new client is to understand their strategic objectives and investment beliefs - both RI related, and holistically.

☐ This is not relevant for my organisation
Describe what steps you take, if any, when your ESG recommendations are not in line with your investor clients’ goals.

Describe

The Redington Asset Manager Selection and Monitoring process takes ESG risks and opportunities into account when forming a recommendation regardless of whether or not this is explicitly requested by the client. Therefore all clients receive a baseline level of ESG recommendation.

All our recommendations are tailored to individual client needs and therefore our advice should always, by implication, be aligned with investor goals. We are known for both being practical and ‘getting things done’ as well as helping clients to make better and more disciplined decisions. We feel that it is important to give clients the tools to help them feel smarter, build their capabilities, and ultimately give them the framework to make better decisions. Thus, in the rare circumstance that an initial recommendations is felt not to be in line with investor goals we take steps to offer education, seek new solutions, and to prioritise the important over the urgent.

This is not relevant for my organisation

Indicate whether you seek feedback from clients on your RI/ESG services and product offerings

Yes

Describe how you use this feedback in your RI/ESG services and product offerings.

We seek feedback from clients on all of the work that we carry out. We believe that this is an important way to improve the service that we provide.

We carry out a systematic appraisal (usually annually) with all of our clients to collect feedback on the work Redington has carried out. We work with clients to design a mandate specific review template. This feedback is used to assess the performance of the team who work with the client and to identify areas for improvement.

In addition to this formal review mechanism we also elicit feedback on a more ad hoc and informal basis. Regular and immediate feedback is particularly important when developing new services or offerings.

Indicate whether your organisation has a policy for managing potential conflicts of interest.

Yes

Describe how you manage potential conflicts of interest.

As an independent, advisory-only, investment consultant with no ancillary business lines we are committed to ensuring that all aspects of the service our clients receive is conflict free.

We have a conflicts policy in place to anticipate and manage potential conflicts of interest. In summary, the policy states that we are committed to identifying, monitoring, and managing all potential conflicts.
Our legal and compliance team have systems and policies in place to ensure that employees do not derive any personal gain from the use of information collected during Redington's work process. These include (but are not limited to) a policy for personal accounts dealing and systems to detect information being sent from Redington email addresses to personal email accounts.

☐ No
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.
**IC 01**

Indicate whether your services include any of the following.

- [ ] Custodial services
- [x] Investment policy development
- [x] Strategic asset allocation
- [x] Investment research
- [x] Manager selection and monitoring
- [ ] Other, specify (1) DC Communications; implementation/mandate design; risk management.
- [ ] Other, specify (2)

**IC 01.2**

Describe how you ensure that your clients understand your service offerings and fee structure.

We prefer to work to a single “all in” fee – we find this works best as it most closely aligns our interests with our clients’ interests. Almost all of our retained relationships, and 80% of our revenues, work on this basis.

The benefits to clients of the fixed fee approach are:

- **No surprises** – we’re never over budget;
- **Saved time** – no need to agree a fee for each new piece of work;
- **Alignment of interest** – we are incentivised to work quickly and efficiently and we’re never incentivised to recommend a project because it increases our fees.

We agree a clear scope of services at the beginning of the relationship and we review this on a regular basis. Please see SG 13.2 for more information on the way that we conduct performance reviews.

**IC 03**

Indicate whether you provide fiduciary management services.

- [ ] Yes, we do
- [ ] No, we do not

**IC 06**

**Investment policy development**
IC 06.1 Indicate whether you incorporate ESG into your investment policy development services.

- Yes, we systematically do
- Yes, we occasionally do
- No, we do not. Plans exist to start incorporating ESG into our investment policy development services in the next reporting year
- No, we do not

IC 06.2 Describe how you incorporate ESG factors and RI-considerations when advising clients on investment policy development.

- Reviewing clients’ existing beliefs, investment strategy and policy in relation to ESG
- Aligning the investment policy with the client’s overall ESG strategy and beliefs
- Helping clients define ESG investment objectives and incorporating them into policies
- Considering short-, mid- and long term time horizon of overall ESG objectives outlined in the investment policy
- Aligning the policy with the relevant ESG/RI regulations and public policies
- Determining the client’s ESG risk-profile and materiality to inform the investment policy
- Providing education/training and case studies if the client has not publicly committed to an ESG strategy or beliefs, and seek to incorporate ESG in the client’s investment policy
- Researching ESG trends, terminology and current debate to help create an up-to-date investment policy
- Comparing ESG investment policies of peers in the market
- Engaging the client organisations’ executives, Board and any other stakeholders in the ESG investment policy development
- Outlining the internal governance structure responsible for overseeing and implementing the investment policy
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

IC 06.4 Additional information. [OPTIONAL]

Many of the considerations above form part of the work we carry out when doing routine reviews of pension scheme Statement of Investment Principles (SIP). Reviews of this document are carried out at least every three years or following a significant change in investment policy as trustees need to obtain and consider written investment advice when revising the SIP.

We cover ESG to a basic level in all of our investment principles work. For some clients we go into much more depth (either if a major review is required / identified by the client consultant or on client request). We cover all of the checked boxes but these should be viewed as a toolbox and the individual consultant is able to use discretion regarding the level of detail to go into.

Strategic asset allocation

IC 07 Mandatory Public Descriptive
IC 07.1  Indicate whether you incorporate ESG into your strategic asset allocation process.

☐ Yes, we systematically do
☐ Yes, we occasionally do
☐ No, we do not. Plans exist to start incorporating ESG into our strategic asset allocation services in the next reporting year
☐ No, we do not

IC 07.2  Indicate how you incorporate ESG into your strategic asset allocation services.

☐ Incorporating climate change-specific factors into analysis of expected returns and risk levels across asset classes
☐ Incorporating other environmental considerations into analysis of long-term expected returns and risk levels across asset classes e.g. biodiversity, water usage, waste and hazardous materials
☐ Incorporating social considerations into analysis of long-term expected returns and risk levels across asset classes
☐ Incorporating governance considerations into analysis of long-term expected returns and risk levels across asset classes
☒ Incorporating ESG when advising on target percentages for allocation in asset classes
☒ Aligning the strategic asset allocation with the client’s ESG investment policy, ESG investment objectives and ESG risk profile
☐ Other, specify(1)
☐ Other, specify(2)
☐ Other, specify(3)

IC 07.4  Additional information. [OPTIONAL]

We have mapped each of the asset classes to which we ascribe an expected return against the following:

- is it possible to integrate ESG factors into investment decision making;
- it is possible to engage on ESG issues;
- it is possible to report on exposure to ESG factors?

This assessment is qualitative and is based on our interactions with asset managers. The framework is used by clients who have specific ESG requirements which must be reflected in strategic asset allocation.

We do not currently plan to quantitatively integrate ESG considerations into our expected return assumptions. However on a case by case basis we have worked with asset managers to model the impact of ESG tilts or exclusions on risk return assumptions and use these to inform strategic asset allocation recommendations.

IC 09  Mandatory

IC 09.1  Describe how you measure, track or otherwise demonstrate your value on asset allocation activities.

In our view, a consultant’s role is to propose investment strategies to achieve the asset owner’s objectives. For example for a pension scheme this would be an objective to pay pensions with greater security. It is also to educate and gain the trust of stakeholders sufficiently to create the conditions for these to get implemented in a timely and effective way. Thus, we believe the most appropriate measure for our pension clients is a composite of the change in overall funded position of clients under the advisory remit of the consultant.
### Investment research

#### IC 10.1  Indicate whether you incorporate ESG into your investment research services.

- ☑ Yes, we systematically do
- ☑ Yes, we occasionally do
- ☐ No, we do not. Plans exist to start incorporating ESG into our investment research services in the next reporting year
- ☐ No, we do not

#### IC 10.2  Indicate whether the following activities are part of your investment research process. Describe for each activity how you incorporate ESG.

<table>
<thead>
<tr>
<th>Investment research activities</th>
<th>Describe how you incorporate ESG</th>
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<tr>
<td>☑ Asset level research</td>
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<td>☑ Portfolio level research</td>
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<td>☑ Performance monitoring</td>
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We use data from Style Analytics and MSCI to assess portfolios quantitatively. This allows us to compare managers against their peers on specific metrics such as carbon footprint, and ESG score.

We also carry out portfolio level reviews during manager due diligence. The Redington Manager Research Team select positions to discuss in detail including ESG characteristics. The team will look in detail at research notes and assess the quality of ESG research carried out at the asset manager.

☑ Performance monitoring

##### Describe how you incorporate ESG

Preferred and Approved managers are surveyed annually to ensure we capture any changes to the ESG integration process (e.g. data sources, reporting lines etc). In addition, we report PRI Strategy and Governance scores as well as MSCI ESG Quality scores for fundamental active equity and passive equity funds as part of our standard quarterly manager reporting.

☐ Mandate design
☐ Benchmark selection
☑ Equity research

##### Describe how you incorporate ESG

We carry out asset class level research as an integral part of selecting asset managers. Please see the section covering manager selection for more information.

☑ Credit research
Describe how you incorporate ESG

We carry out asset class level research as an integral part of selecting asset managers. Please see the section covering manager selection for more information.

☐ Quant research

Describe how you incorporate ESG

We carry out asset class level research as an integral part of selecting asset managers. Please see the section covering manager selection for more information.

☐ Sector research
☐ Thematic research
☐ Other, specify (1)

Private Assets Research

☐ Other, specify (2)
☐ Other, specify (3)
☐ None of the above

IC 11 | Mandatory | Public | Descriptive
--- | --- | --- | ---

Describe how you measure, track or otherwise demonstrate your value on investment research activities.

We do not attempt to disaggregate the impact of individual research projects to the overall client experience. Our advice is delivered and measured on a holistic basis.

The Redington Investment Committee use a SCOTSMAN framework to assess whether an investment research topic should be commissioned. This framework has allowed us to research the asset classes that have added value whilst avoiding those which do not meet client requirements. The framework can also be used to retrospectively judge the value added by research carried out and thus inform future decision making.

The SCOTSMAN framework assesses the following key questions:

Solution: Is one or more fund managers available to select and manage the asset?
Capacity: Is the asset available in large enough size to make a meaningful allocation to client portfolios?
Originality: Does the asset give a risk/return profile unavailable from other asset strategies?
Timescales: Can the asset strategy be researched and modelled within a realistic timescale?
Strategy: How well does the asset strategy sit with our investment process and investment principles?
Money: What is the balanced between potential revenues and costs associated with researching and modelling the asset strategy?
Authority: is the strategy sponsored by a member of the Investment Committee?
Need: is this asset class needed by one or more of our clients in order to achieve their objectives?

Manager selection and monitoring

IC 12 | Mandatory | Public | Gateway
IC 12.1  Indicate whether you incorporate ESG factors into your manager selection and monitoring services.

Manager selection service

- Yes, we systematically do
- Yes, we occasionally do
- No, we do not. Plans exist to start incorporating ESG into our manager selection services in the next reporting year
- No, we do not

Manager monitoring service

- Yes, we systematically do
- Yes, we occasionally do
- No, we do not. Plans exist to start incorporating ESG into our manager monitoring services in the next reporting year
- No, we do not

IC 12.3  Additional information. [OPTIONAL]

We have integrated ESG in our manager research process and it is one of our 10 selection factors. The description of ESG advantage in our process is as follows: “The investment team takes account of ESG risk factors and acts on these when financially material; and there is buy-in at the business level”. We believe that ESG materiality is asset class and sector dependent. Therefore, a broad description of the ESG advantage allows us to focus on those areas with the highest impact within our preferred lists.

In order to ensure the consistency of our output we developed the following framework that works as an assessment guide:
1. Integration into investment process
2. Infrastructure
3. Engagement (stewardship)
4. Business focus & accountability

Beneath these four high level areas we have identified a number of evidence points that we look for.

SELECTION

IC 13  Mandatory

IC 13.1  Indicate what activities you undertake during the process of selecting a manager.
### Research and screening
- ☑ Conducting ESG due diligence
- ☑ Developing guidelines and/or RI priorities for the selection process
- ☑ Conducting internal database screening that includes ESG factors
- ☑ Conducting external database screening that includes ESG factors
- ☑ Qualitative research that includes ESG factors
- ☑ Conducting ESG risk analysis
- ☐ Other (1), specify
- ☐ None of the above

### Strategy
- ☑ Assessing the time horizon of the manager’s offering vs. your client’s requirements
- ☑ Assessing the quality of the manager’s investment policy and its reference to ESG
- ☑ Assessing the investment approach of the manager and how ESG factors are incorporated
- ☑ Reviewing active ownership capabilities and track record of potential shortlisted managers
- ☐ Other, specify (1)
- ☐ None of the above

### ESG people/oversight
- ☑ Assessing the ESG expertise of investment teams
- ☑ Reviewing the oversight and responsibilities of ESG implementation
- ☐ Other, specify (1)
- ☐ None of the above

### Process/portfolio construction
- ☑ Reviewing how ESG materiality is evaluated by managers
- ☑ Reviewing the manager’s use of ESG information in the investment decision-making process
- ☑ Review the impact of ESG analysis on investment decisions by the manager
- ☑ Review the manager’s ESG risk framework
- ☐ Other, specify (1)
- ☐ None of the above
Selection process and reviewing documentation

- Reviewing ESG/RI responses to request for proposals
- Reviewing PRI Transparency Reports of the potential manager
- Request and discuss PRI Assessment Reports of the potential manager
- Reviewing potential manager's assurance process on ESG/RI data and processes
- Meetings/calls with potential shortlisted investment managers covering ESG/RI themes
- Site visits to potential managers’ offices
- Other, specify (1)
- None of the above

IC 13.2  Indicate whether you use any of the following scores or targets in your manager selection process.

- ESG score
- ESG weight
- Real economy targets
- Other RI considerations
- None of the above

IC 14  Mandatory  Public  Descriptive

IC 14.1  Describe how you incorporate asset owners’ investment principles into the manager selection process.

We work with each individual client on a bespoke basis. As part of our 10x10x10 research process we seek to understand and to describe to our clients the way that the asset manager treats ESG risk factors in their investment process. This allows Redington Investment Consultants to choose the appropriate asset manager or strategy to present to their clients.

Thus Asset Owner principles are incorporated at the implementation stage.

We have carried out bespoke selection processes for asset owners who have very specific needs. We have worked with Asset Managers to create bespoke products that consider the specific principles of the asset owner.

IC 15  Mandatory  Public  Descriptive

IC 15.1  Briefly describe how you include ESG factors in your due diligence process for manager selection.

Redington’s 10x10x10 Manager Research Process includes ESG as one of the 10 Selection Factors we assess when appointing a Preferred Manager. All ongoing Preferred List research covers integration of ESG factors as a key component of investment due diligence. We ask questions about ESG integration in Requests for Information (RFI). We look for evidence of ESG integration in websites and publications. We ask detailed questions during due diligence meetings and reporting in order to test our thesis and the written material we have received about ESG integration. In many circumstances we also carry out stock level portfolio analysis on ESG risks within the portfolio. This information is used to make an assessment of each strategy vs others in the peer group. In order to ensure the consistency of our output we developed the following framework that works as an assessment guide: 1. Integration into investment process 2. Infrastructure 3. Engagement (stewardship) 4. Business focus & accountability
IC 16.1 Indicate whether you set any of the following to measure compliance/progress, or use the following information to review and evaluate the investment manager.

Setting measures for the investment manager as part of the monitoring process

☐ ESG score
☐ ESG weight
☐ Real economy targets
☐ Other RI considerations
☒ None of the above

Reviewing and evaluating information from the investment manager as part of the monitoring process

☐ ESG objectives linked to investment strategy
☒ Investment restrictions and any controversial investment decisions
☐ ESG incorporation objectives
☒ ESG portfolio characteristics
☒ How ESG materiality has been evaluated by the manager in the monitored period
☐ Information on any ESG incidents
☐ Metrics on the real economy influence of the investments
☒ PRI Transparency Reports
☒ PRI Assessment Reports
☐ Other general RI considerations in investment management agreements, specify
☐ None of the above

IC 16.2 Describe how you raise and manage concerns when monitoring investment managers on ESG factors.

Concerns are raised during the quarterly monitoring or alternatively when ratings are reviewed (12-18 month cycle). Our preference is to understand the position of the asset manager and work with them to seek an action plan for improvement where necessary.

IC 16.3 Additional information. [OPTIONAL]

Please note that ESG materiality and ESG portfolio characteristics are currently only monitored for the physical equity proportion of Redington’s assets under consulting. We plan to expand this coverage over time.

The way in which ESG materiality is evaluated by the manager in the monitored period are captured during our annual survey of Preferred and Approved managers.

ESG portfolio characteristics are assessed for active equity managers as part of our regular quarterly monitoring. We plan to extend this analysis across other asset classes in future.
IC 17.1  Indicate whether you report back to asset owners on your manager selection and/or monitoring activities.

- Yes, we systematically do
- Yes, we occasionally do
- No, we do not

IC 17.2  If yes, describe how you report back and the frequency.

We report back to Asset Owners on our asset manager selection via a one page report (which includes our relative assessment of the asset manager's integration of ESG factors into the investment process).

Asset Owners make the appointment decision (we do not carry out any fiduciary management activities).

Asset Owners who are Manager Reporting clients receive PRI scores where they have been disclosed to us. These reports are issued on a quarterly basis and the PRI scores updated annually. If there were any ESG concerns for an individual mandate these concerns would be raised in the quarterly manager report.

IC 18  Mandatory | Public | Descriptive

IC 18.1  Describe how you measure, track or otherwise demonstrate your value on manager selection and monitoring services.

Whilst we monitor the performance, risk and correlations of our Preferred Managers each quarter, we avoid judging the success of our manager research process in isolation from our client’s success. As a result we monitor performance of managers in our Preferred Lists, but are mindful of viewing our success holistically in our ability as a team to help our clients reach their funding goals.