




Type of engagement	Reason for interaction
Individual/ internal staff engagements	<input checked="" type="checkbox"/> To support investment decisionmaking in a company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for a material or other issue <input type="checkbox"/> To engage internal staff <input type="checkbox"/> We do not engage in internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decisionmaking in a company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for a material or other issue <input type="checkbox"/> To support investment decisionmaking in a company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for a material or other issue
Service provider engagements	<input checked="" type="checkbox"/> To support investment decisionmaking in a company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for a material or other issue <input type="checkbox"/> To influence corporate practice or identify the need for a material or other issue <input type="checkbox"/> To influence corporate practice or identify the need for a material or other issue

RI TRANSPARENCY REPORT

2018

Savills Investment Management

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 2018 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

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

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

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

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

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

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		-	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	🔒	n/a							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown by passive, active strategies	🔒	n/a							✓
OO FI 02	Option to report on <10% assets	🔒	n/a							✓
OO FI 03	Breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
OO PE 01	Breakdown of investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership	🔒	n/a							✓
OO PR 01	Breakdown of investments	✓	Public							✓
OO PR 02	Breakdown of assets by management	✓	Public							✓
OO PR 03	Largest property types	✓	Public							✓
OO INF 01	Breakdown of investments	🔒	n/a							✓
OO INF 02	Breakdown of assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

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

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 02	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 03	Formal commitments to RI	✓	Public				✓			
PR 04	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 05	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PR 06	ESG issues impact in selection process	✓	Public	✓						
PR 07	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 08	ESG issues in post-investment activities	✓	Public		✓					
PR 09	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 10	Certification schemes, ratings and benchmarks	✓	Public		✓					
PR 11	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 12	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 13	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 14	Proportion of assets engaged with on community issues	✓	Public		✓					
PR 15	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
PR 16	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR End	Module confirmation page	✓	-							

Assurance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01.1	Assurance, verification, or review	✓	Public							✓
CM1 01.2 & 01.8	Assurance of this year's PRI data	✓	Public							
CM1 01.3 & 01.9	Assurance of last year's PRI data	✓	Public							✓
CM1 01.4, 10-12	Other confidence building measures	✓	Public							✓
CM1 01.5	External assurance	🔒	n/a							✓
CM1 01.6	Assurance or internal audit	✓	Public							✓
CM1 01.7	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

Savills Investment Management

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 services and funds you offer

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

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

Execution and advisory services

Hedge funds

Fund of hedge funds

OO 01.3

Additional information. [Optional]

Savills Investment Management (Savills IM) is a real estate investment manager with EUR 16 billion of assets under management and over 280 staff in 19 locations across Europe and Asia (as at 31 December 2017). We have provided property investment services for our clients for over 25 years and these comprise the management of segregated pension property mandates, on either an advisory or discretionary basis, and the establishment and management of pooled property funds. In addition to our investment and asset management capability, we also offer comprehensive tax and structuring services as well as sourcing debt and hedging.

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

United Kingdom

OO 02.2

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

1

2-5

6-10

>10

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

FTE

280

OO 03 **Mandatory** **Public** **Descriptive** **General**

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04 **Mandatory** **Public** **Gateway/Peering** **General**

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

31/12/2017

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

	trillions	billions	millions	thousands	hundreds
Total AUM		16	482	680	350
Currency	EUR				
Assets in USD		19	556	646	933

OO 06 **Mandatory** **Public** **Descriptive** **General**

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

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

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	0	0
Private equity	0	0

Property	>50%	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

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

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 checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
Total	100%

Asset class implementation gateway indicators

OO 11	Mandatory	Public	Gateway	General
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Property

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

OO 12	Mandatory	Public	Gateway	General
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OO 12.1	Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.
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Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Other asset classes with dedicated modules

- Property

RI implementation via external managers

Closing module

- Closing module

Peering questions

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

OO PR 01.1	Indicate the level of ownership you typically hold in your property investments.
------------	----------------------------------------------------------------------------------

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

**OO PR
01.2**

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

- >50%
- 10 – 50%
- <10%
- 0%

OO PR 02

Mandatory to Report Voluntary to Disclose

Public

Gateway

General

**OO PR
02.1**

Provide a breakdown of your organisation’s property assets based on who manages the assets.

Property assets managed by	Breakdown of your property assets (by number)
Managed directly by your organisation	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed via third-party property managers appointed by you	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed by other investors or their property managers	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed by tenant(s) with operational control	<input type="radio"/> > 50% <input type="radio"/> 10-50% <input type="radio"/> < 10% <input checked="" type="radio"/> 0%
Total100%	

OO PR 02.2	Additional information. [Optional]
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The majority of property management for our assets is outsourced to third party property managers. This includes rent collection, lease administration and collection of energy, waste and water consumption data. A sustainability consultant (in close collaboration with our property managers) provides ESG strategy and delivery services to our organisation at both corporate and fund-levels. Asset management is carried out in house by Savills Investment Management.

OO PR 03	Voluntary	Public	Descriptive	General
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OO PR 03.1	Indicate up to three of your largest property types by AUM.
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Types	Main property types (by AUM)
Largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input checked="" type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Second largest property type	<input type="radio"/> Industrial <input checked="" type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Third largest property type	<input checked="" type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify

OO PR 03.2	Additional information.
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As at 31 December 2017, Savills Investment Management's AUM comprised 31% Office, 23% Retail, and 13% Industrial assets.

Savills Investment Management

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input checked="" type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

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

SG 01.4

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

The key investment principles which underlie Savills IM's philosophy are:

- Income is a key driver in generating long term property performance, providing a stable and significant proportion of total returns over the long term. Securing and increasing income is therefore vital and we recognise that ESG factors affect building operational performance, vacancy rates and impact income performance.
- An understanding of tenant requirements is fundamental to maintaining occupancy. We engage with tenants and other external stakeholders to understand their ESG policies, and encourage them to engage with our own.
- Property is a real asset that must be actively managed to deliver sustainable returns; we recognise that ESG factors have a real economy impact on the performance of our property assets.

Rigorous investment processes are crucial to successful implementation of our investment philosophy. Our process seeks to:

- Identify risks and opportunities, including specifically ESG factors at each stage of the process, from stock selection to asset management
- Analyse portfolios and assets against each fund or client's risk return profile and investment objectives on a continual basis

This process is overseen by Kiran Patel, Chief Investment Officer, and Richard Lake, Global Head of Investment Risk, who act as 'guardians' of the investment process.

SG 01.5

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

The elements which comprise the Savills Investment Management ESG Policy are laid out below. Our full policy is available on our website: <http://www.savillsim.com/documents/sim-responsible-investment-policy-2018-03-21.pdf>

Environmental Sustainability

We adopt best practice procedures for the promotion of sustainability issues across our business. We seek to engage with and, where possible, provide training for our staff to proactively lessen their impact on the environment. We consider sustainability issues throughout our investment processes, in asset selection, pre-purchase due diligence, our asset management and disposal strategies, recently developing thorough guidance for investment teams on ESG considerations during transaction decision making processes.

Social Equity

We recognise that our business has social obligations to our employees and trading partners. We also accept that the operation of our business should include consideration of the communities in which we function. Savills Investment Management invests in the personal development and welfare of employees by offering training opportunities to enhance skills and knowledge and further personal development opportunities are via charity volunteer leave, an initiative of the Charitable Giving Committee (CGC), encouraging staff to make a positive impact in the community. At the beginning of each year, the CGC agrees on a fundraising calendar outlining specific initiatives to maximise and govern staff fundraising opportunities over the 12 month period. Savills Investment Management offer an impartial Employee Assistance Programme to all staff, paying attention to personal well-being. We have Conflicts of Interest and ESG policies and also adhere to the Savills Plc (our parent company) Group Health and Safety, Anti-Corruption and Environmental policies.

Responsible Corporate Governance

We observe a set of fundamental standards of sound management and professional business conduct. We have a robust governance framework to manage and mitigate investment risk (including sustainability), the full details of which can be found in the ESG policy.

Reporting and Disclosure

We are committed to transparent monitoring and disclosure of ESG objectives and asset performance for the wider business and investment community. Progress on sustainability matters at an individual portfolio level is included as standard in quarterly investor updates and addressed in annual audited and interim reports. As a signatory, we fulfill our annual UNPRI reporting requirements at a corporate level and, where appropriate, Savills Investment Management funds participate in the annual GRESB survey. We review GRESB participation annually to ensure we participate in the benchmark survey for the most relevant of our funds.

No

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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Policy setting out your overall approach

URL/Attachment

URL

URL

<http://www.savillsim.com/documents/sim-responsible-investment-policy-2018-03-21.pdf>

Attachment (will be made public)

Formalised guidelines on environmental factors

Formalised guidelines on social factors

URL/Attachment

URL

Attachment (will be made public)

Attachment

[File 1:Health and Wellbeing Policy_Savills IM Responsible Investment policy_2018_guidance notes.pdf](#)

Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

<http://www.savillsim.com/documents/sim-responsible-investment-policy-2018-03-21.pdf>

- Attachment (will be made public)
- Asset class-specific RI guidelines
- Sector specific RI guidelines
- We do not publicly disclose our investment policy documents

SG 02.2

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

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

URL/Attachment

- URL

URL

<http://www.savillsim.com/documents/sim-responsible-investment-policy-2018-03-21.pdf>

- Attachment
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting

URL/Attachment

- URL

URL

<http://www.savillsim.com/documents/sim-responsible-investment-policy-2018-03-02.pdf><http://www.savillsim.com/documents/sim-responsible-investment-policy-2018-03-02.pdf>

- Attachment
- Climate-related issues
- Climate change and related issues
- We do not publicly disclose any investment policy components

SG 02.3

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

Yes

URL

<http://www.savillsim.com/investment-philosophy/>

No

SG 03

Mandatory

Public

Core Assessed

General

SG 03.1

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

Yes

SG 03.2

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

Our Conflicts of Interest Policy identifies:

- situations where conflicts may arise
- types of conflict
- disclosure
- oversight; and
- record-keeping
- processes for resolution of conflict issues, where they occur. .

All employees are expected to be cognisant of potential conflicts and notify the Compliance Officer of risks where necessary. Principal areas at risk of conflict are deal allocation, conflicts between Savills IM and clients (e.g. regarding performance/transaction fees) and the appointment of third party services from a party related to Savills IM.

No

SG 03.3

Additional information. [Optional]

To mitigate material risk to our clients' interests it is essential that conflicts of interest are identified and managed, where they might arise from services we provide and the regulated activities we perform.

Conflicts between service providers and counter parties are referred to the Board of Savills Investment Management (UK) Ltd by the Compliance Officer. The appointment of professional services provided by connected firms will be made on a competitive basis with other parties invited to tender and the final selection made on a "best execution" basis. Savills Investment Management will always endeavour to take all reasonable steps to obtain the best possible result for its clients in the execution of all contracts. The obligation to provide best execution for client funds impacts how we select and collaborate with third parties who work with Savills Investment Management. For example, in hiring professional services consideration would be given to a variety of factors including the experience of the principals both in terms of breadth and appropriateness, their geographic location, their knowledge and professional standing as well as the price of their services.

Savills IM has a governance structure which safeguards the independence of the risk management function, and the management of perceived and actual conflicts of interest. The register of conflicts of interest is reviewed quarterly, and the Conflicts of Interest policy is reviewed annually by our Risk Management Committee.

Where there is an actual or potential conflict of interest, Savills IM endeavours to act fairly, consistently and transparently where possible, subject to previously disclosed rules. This applies to potential or actual conflicts of

interest between Savills IM (or its staff) and one or more clients, and also where there may be a conflict of interest between clients.

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.
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- Yes
- No

SG 04.2	Describe your process on managing incidents
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ESG portfolio incidents would be picked up via either the Portfolio Management Committee (PMC) and the Transaction Advisory Committee (TAC), both delegated committees of the Savills IM Global Executive Committee (GEC), and both of which have the discussion of ESG issue in their remit. The PMC meets on a semi-annual basis, approximately one month after the end of each half year period, with ad hoc meetings held as required. The PMC's role is to review, consider, endorse or reject proposals made by the relevant fund team in relation to the portfolio management activities of each client/fund portfolio. Specific considerations within the PMC's remit where the discussion of ESG issues may arise are as follows:

1. Individual portfolio investment objectives, benchmarks and return targets;
2. Individual portfolio strategies including sustainability, acquisitions, asset management, disposals and financing;
3. Portfolio investment performance and risk management;
4. Investor relations and issues.

The TAC meets on a weekly and on an ad hoc basis to review, consider and endorse or reject the recommendations that fund teams wish to make to their relevant decision-making boards (under Savills IM's various advisory contracts) for investment purchases, sales or material capital expenditure and related debt/treasury issues. It is within the TAC's remit to ensure sufficient consideration has been given to Corporate and fund ESG policies, for each transaction discussed.

Decisions presented to and made by the TAC are also logged and reviewed by a separate Risk Committee, which reports into the GEC and Savills PLC Boards.

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

SG 05.2

Additional information. [Optional]

The company's sustainability objectives are documented in a roadmap which is reviewed monthly with our sustainability consultant. These objectives are reviewed and agreed by representatives of the GEC at the beginning of each year calendar year, and assessed half yearly and at year end. The inclusion of a specific delivery method and deadline for each objective provides a reliable way of tracking progress and achievements throughout the year, allowing effective reporting of the company's achievements. The roadmap is also discussed at quarterly ESG Committee meetings.

SG 06

Voluntary

Public

Descriptive

General

SG 06.1

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

Responsible investment processes

- Provide training on ESG incorporation

Key performance indicator

Create and provide training for ESG KPI Scorecard, and determine most effective way to integrate KPI Scorecard metrics into PMC process

Progress achieved

In 2017, training guidance was created and rolled out to investment teams specifying ESG criteria for consideration in asset purchase and disposal processes. Our 2018 Roadmap contains objectives to strengthen our processes on and train staff to incorporate better ESG practice in ongoing portfolio management.

The following steps define the 2018 ESG incorporation training target:

1. ESG Manager to map PMC process further to assess KPI Scorecard integration options. **PROGRESS:** This action is scheduled for Q2 2018
2. ESG scorecard to be created, reviewed and signed off, based on ESG guidance already in place in the TAC process. **PROGRESS:** This action is scheduled for Q2 2018
3. Implement scorecard within PMC process. **PROGRESS:** This action is scheduled for Q2 2018

- Provide training on ESG engagement

Key performance indicator

Investigate options for a custom ESG training programme and ensure delivery to all staff

Progress achieved

The following steps define the 2018 ESG engagement training target:

4. ESG Manager to meet with HR regarding training methods, budget and approach. **PROGRESS:** Completed in January 2018. ESG training module created for new joiner training (all staff).
5. Sustainability Consultant to guide selection process of ESG 'off-shelf'/online training module (or provider selection, if this method preferred). **PROGRESS:** Completed in January 2018. Online module options identified, and to be selected.

- 6. Training delivered to all staff. **PROGRESS:** First ESG training for new starters will be delivered 12 April 2018. Module for rest of staff to be rolled out in H2 2018.
- 7. Conclude with further ESG materiality ranking exercise, for staff. **PROGRESS:** Savills IM engaged with all staff via a survey in November 2017 to assess materiality of Environmental, Social and Governance issues. The results were assessed and shared with all staff at the end of Q4 2017, and a more in-depth materiality questionnaire is scheduled for Q4 2018 to monitor change ESG in materiality amongst staff.

Improved communication of ESG activities within the organisation

Key performance indicator

Create annual ESG Marketing and PR plan, and implement initiatives throughout the year

Progress achieved

The following steps define the 2018 ESG communication target:

- 8. Marketing to produce a schedule and action plan for ESG Marketing and PR activity per quarter throughout 2018. **PROGRESS:** Completed
- 9. Create an action plan for a programme of Green Office initiatives in 2018. Establish Green Office Champions (GOC) across global offices. **PROGRESS:** Completed in UK; to be established in other offices in Q2 2018.
- 10. Regional Green Office Champions to create and implement schedule of ESG events in the office. **PROGRESS:** Completed in UK; to be established in other offices in Q2 2018.
- 11.

Improved engagement to encourage change with regards to management of ESG issues

Key performance indicator

Mid-year review of ESG materiality and ranking, and present year end ESG results to GEC

Progress achieved

The following steps define the 2018 target to encourage change to management of ESG issues:

- 12. Review ESG materiality with GEC, discuss priorities / risk ranking, and alignment with current ESG policy. **PROGRESS:** This activity is an annual process, established in 2017. The 2017 materiality review took place in November 2017, and the 2018 review will take place in Q3 / Q4 2018.
- 13. Deliver 2018 year-end round-up presentation to GEC. **PROGRESS:** This activity is an annual process, established in 2017. The 2017 year-end GEC presentation took place in December 2017, and will be repeated this year at the end of 2018.

Improved ESG incorporation into investment decision making processes

Key performance indicator

Provide training on use of ESG Acquisition / Disposal guidance (as part of TAC process)

Progress achieved

In 2017, Savills IM created and rolled out a detailed checklist of ESG considerations for investment teams during acquisition and disposal processes. The 2018 KPI is to provide training on the use of these guidelines to investment teams. **PROGRESS:** Planned for Q2 2018 onwards.

Other, specify (1)

Stakeholder engagement

Key performance indicator

Conduct ESG materiality review for external stakeholders including tenants, investors, and peers

Progress achieved

Activity is scheduled for Q2-Q3 2018. Results will be mapped against the ESG materiality review carried out with staff, and an ESG materiality matrix will be produced to ensure our ESG policies are aligned to our stakeholder requirements.

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

- Over or underweight companies based on ESG characteristics
- Improve ESG ratings of portfolio

Key performance indicator

Analyse and create action plan including ring-fenced ESG CapEx budget, for funds 8 funds participating in GRESB; implement Green Building Certification guidance

Progress achieved

The following steps define the 2018 target to improve ESG ratings in portfolios:

14. Purchase and analyse GRESB Benchmark reports, create roadmap for Fun ESG improvements, and budget for ESG improvements via CapEx. **PROGRESS:** All Benchmark reports now purchased and analysed. Improvement roadmaps in place and communicated to teams.
15. At the end of 2017, we created guidelines for investment and development teams on Green Building Certifications, allowing them to make educated decisions about which Green Building Certifications are most appropriate for their assets, and how to implement them. The guidance is in circulation and

use, however the 2018 KPI is to provide training on effective use. **PROGRESS:** Planned for Q2 2018 onwards.

- Setting carbon reduction targets for portfolio
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

Other activities

- Joining and/or participation in RI initiatives
- Encouraging others to join a RI initiative
- Documentation of best practice case studies

Key performance indicator

Create ESG case studies

Progress achieved

As part of the target to enhance ESG PR and Marketing, specific steps include the production of case studies: **PROGRESS:** Completed. Case studies have been created and are scheduled to appear on the corporate website in Q1 / Q2 2018.

- Using case studies to demonstrate engagement and ESG incorporation to clients

Key performance indicator

Publish ESG case studies on website

Progress achieved

As part of the target to enhance ESG PR and Marketing, specific steps include the production of case studies, to be featured on the corporate website: **PROGRESS:** Case studies are scheduled to appear on the corporate website in Q1 / Q2 2018.

- 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

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

Other description (1)

ESG Manager

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

SG 07.2	For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.
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Richard Lake, Global Head of Investment Risk, is a member of the European Executive Committee and also Chairman of the ESG Committee, which meets quarterly to:

- 1) develop and review the company's sustainability, corporate governance and social responsibility strategy, framework, principles and policies and make relevant recommendations to the management committee; and;
- 2) promote the principles of good corporate governance, sustainable and socially responsible investment within the funds managed or advised by Savills Investment Management, and to meet with representatives of the investment management team on a six monthly basis to review the performance of the funds in terms of the Savills Investment Management group ESG objectives.

Richard's role as Chairman of the ESG Committee entails responsibility for both the oversight and accountability of responsible investment at Savills Investment Management (1, above) and the implementation of responsible investment within the funds managed or advised by Savills IM (2, above).

James Bury is Global COO and a member of the ESG Committee. He is responsible for the operational implementation of any ESG objectives and activities in our business.

Kiran Patel is Global CIO and a member of the ESG Committee. He responsible for integration of ESG considerations into investment and property management decisions in our business.

Lucy Auden is an ESG and Investor Relations Manager and is reposable for liaisng with the senior management above to agree and manage Savills IM's anual ESG targets, via a roadmap. Lucy's insight into the responsible investment policies of investors and prospects ensures our ESG policy is aligned with our internal and external stakeholder priorities, and best practice. Lucy also manages the relationship with our sustainability consultants for UK and pan-Europeans funds, ensuring KPIs are set and reviewed in regular meetings between the service provider and the fund teams.

As a member of the Savills Group, Savills IM subscribes to the Savills Group Environmental, Conflicts of Interest and Anti-Corruption policies. Two members of the Savills Board are present on the Savills Investment Management Global Executive Committee (GEC) ensuring integration and implementation of Savills policies within the Investment Management business. The GEC meets approximately 6 times a year.

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

1

SG 08	Voluntary	Public	Additional Assessed	General
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SG 08.1	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

SG 08.2

Describe any activities undertaken during the reporting year to develop and maintain Board members' skills and knowledge in relation to responsible investment.

An annual process has been established where, at the end of Q4 each year, the company's ESG achievements are presented directly to representatives of the GEC - the businesses most senior management function - followed by a Q&A session. In Q4 2017, delegates comprised the CIO and Head of Investment Risk. The meeting is used to present the previous years' ESG achievements, and agree the following year's ESG priorities and targets. The process to develop and maintain Board members' skills and knowledge of responsible investment has been running since 2015.

The GEC reports to the Board of Savills Plc (our parent company) on their stewardship; this includes ensuring that objectives are discussed, satisfactorily communicated and mutually understood with the Board of Savills Plc.

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**Global Head of Investment Risk**

- 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

Portfolio managers

- 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

Investor relations

- 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 role (1) [from SG 07]

ESG Manager

- 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

SG 08.3

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

Our business sets function specific objectives on an annual basis and those for investment teams this year included "Improving teams thought process and analysis in the area of risk and return understanding at the asset and portfolio level", including ESG factors as an element of risk and return analysis, through transaction decision making and portfolio management.

As such, a specific KPI has been set as part of the company's ESG roadmap for 2018, to:

- Provide training on ESG guidance produced for asset purchase and disposal, which was created and circulated to teams in 2017
- Finalise ESG Implementation Guidelines on fit out, development and property management, communicate to fund teams, publish and train staff for effective use.

The ESG Manager's objectives comprise a 3-year ESG plan, which is reviewed quarterly and assessed annually. Our 3-year ESG plan includes the following objectives:

- Agree and maintain the company's annual ESG roadmap and updating the Board at mid-year and year-end.
- Ensure ESG coverage and engagement across Savills IM global offices
- Engage external stakeholders (investors and tenants) to assess prioritisation of ESG issues, and create materiality matrix using results from internal stakeholder engagement (carried out in 2017).
- Ensure quality ESG reporting across the business
- Enhance ESG profile via PR and marketing initiatives
- Improve UNPRI assessment and GRESB scores, and increase GRESB Fund coverage
- Engage Green Office Champions at local level to increase ESG awareness in the offices

ESG objectives have been allocated to all Fund managers for our German Funds, as follows. These will be assessed as part of personal development, performance management and reward processes, at mid-year and year-end reviews:

- Ensure consumption data from assets, collected by sustainability consultant, is correct, interpreted, and conclusions are drawn.
- Select one or two properties per fund for in-depth ESG assessment, with the consideration of achieving Green Building Certifications
- Ensure greater consideration of ESG in Transaction Advisory Committee (TAC) and Property Management Committee (PMC) meetings, including sESG statement documented in meeting papers
- Improve GRESB rating compared to previous year
- Raise awareness of ESG within the fund team and discuss in the regular product meetings

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

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

SG 09.1

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

Select all that apply

Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced

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

Since signing up to UNPRI in October 2014, Savills Investment Management has used the Principles to guide its own responsible investment policies. Specifically, we have identified and improved business processes to better align ourselves with the Principles in areas such as ensuring the inclusion of ESG clauses in Property Manager contracts, and specific ESG statements in our Fund documentation.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- EVCA – Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)

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]

We have participated in GRESB since 2012 for up to 8 funds per year, and this year (2018) will be submitting the GRESB survey for 11 funds.

- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
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SG 10.1

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

- Yes

SG 10.2

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment

Description

Savills IM Head of Investment, Italy, spoke in panel at 2017 GRESB Real Estate Results event in Milan, in collaboration with Habitech and COIMA (<https://gresb.com/event/2017-gresb-real-estate-results-milan/>) to promote Responsible Investment

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Wrote and published in-house research papers on responsible investment
 - Encouraged the adoption of the PRI

Description

Quarterly Corporate Update produced and distributed to clients and market peers, containing Responsible Investment chapter which discussed Savills IM's take up, and promotes adoption of the PRI (report available on request).

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
 - Wrote and published articles on responsible investment in the media

Description

Press releases written and published in the media during 2017, covering Savills IM's RI performance (<https://www.propertyfundsworld.com/2017/10/02/256675/savills-investment-management-achieves-gresb-green-star-status>)

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other
- A member of PRI advisory committees/ working groups, specify
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify
- No

SG 10.3	Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]
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Outsourcing to fiduciary managers and investment consultants				
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SG 12	Mandatory	Public	Core Assessed	PRI 4
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1	Indicate whether your organisation uses investment consultants.
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- Yes, we use investment consultants
- No, we do not use investment consultants.

SG 12.5

Indicate whether your organisation considers any of the following responsible investment factors in the monitoring of fiduciary managers

- Including responsible investment as a standard agenda item at performance review meetings
- Discussing whether the fiduciary manager has acted in accordance with your organisation's overall investment beliefs/ strategy/ policy on responsible investment and ESG factors
- Reviewing the fiduciary manager's PRI Transparency or Assessment reports
- Reviewing the fiduciary manager's responsible investment reporting (excluding PRI generated reports)
- Reviewing ESG characteristics/factors used by the fiduciary manager in portfolio construction
- Reviewing the fiduciary manager's incorporation approaches of ESG through-out asset classes
- Reviewing the impact of ESG factors on financial performance
- Encouraging your fiduciary managers to consider joining responsible investment initiatives/organisations or participate in educational or collaborative projects with other investors
- Including responsible investment criteria as a formal component of overall manager performance evaluation
- Reviewing the fiduciary manager's ESG incorporation in external managers' selection, appointment, monitoring
- Reviewing how ESG materiality is defined by the fiduciary manager
- Other general aspects of your monitoring; specify
- We do not consider responsible investment in the monitoring processes for fiduciary managers.

SG 12.6

Describe the approach you take to monitoring your fiduciary managers and the reason(s) for this approach [Optional].

The above answers are provided in the context that Savills IM and its fund / asset managers have a fiduciary duty to manage the assets of our investors. 'Fiduciary managers' have therefore been interpreted in this response as Savills IM's fund and asset managers. It should be noted that Savills IM only invests in property assets, and that fund teams do not employ any external fiduciary managers.

Compliance with our Responsible Investment policy forms part of the agenda of the PMC (which monitors portfolio management processes and financial performance), and TAC (providing advisory review of asset purchase, sale and significant CapEx decisions, in the context of portfolio construction).

ESG reporting is coordinated by the Investor Relations team and all reports are subject to thorough sign off processes by the fund teams and Compliance, ahead of distribution to clients.

Fund and asset managers are encouraged to consider joining responsible investment initiatives / organisations, and to participate in educational or collaborative projects via invitations to ESG industry webinars, ESG training sessions, and ESG training documents which are made available via our intranet.

The overall management of ESG performance is evaluated for those fund and asset managers for whom ESG features in their objectives, which currently comprises our German Fund managers, specifically. The adherence to these objectives are evaluated via mid-year and year-end appraisal meetings.

Savills IM reviewed the ESG materiality as defined by its fund and asset managers, via a staff ESG survey which was sent and analyzed in Q4 2017. The survey required fund and asset managers (as well as all other staff, segregated by function) to prioritize which environmental, social and governance aspects were of most materiality to them in their role, and the wider business.

The option above, "Does the organization review the fiduciary manager's PRI Transparency or Assessment reports" has been left blank as it is not applicable to Savills IM. Since Savills IM submits our PRI Transparency and Assessment report at an organizational, rather than a fund level, no PRI Transparency or Assessment reports exist for our fiduciary managers (which we have interpreted as our fund and asset managers, as outlined in paragraph 1). ESG information and performance is collected and reported at the fund level for 11 funds via the GRESB survey, on an annual basis.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 13.1	Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.
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- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

SG 13.2	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
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- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 13.3	Additional information. [OPTIONAL]
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Savills IM strategically selects and makes asset purchase decisions in accordance to the ESG criteria of its real estate assets. We acknowledge that assessing asset ESG criteria forms part of the risk and opportunity analysis of asset portfolio construction decisions, therefore ESG issues are assessed as part of assets allocation decisions between sectors or geographic markets.

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1	Describe the process used to identify short, medium and long-term risks and opportunities that could have a material impact on your organisation and its activities.
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Short, medium and long-term risks and opportunities in our investment portfolios are assessed at asset acquisition, via the TAC, and throughout asset ownership via the PMC. Both these committees consider ESG factors as part of the risk and opportunity assessment of portfolio assets.

SG 14.2

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following you act on.

- Changing demographics
- Climate change and related issues

SG 14.3

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

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify

other description

Asses flood risk as a key risk factor in the asset acquisition processes.

- None of the above

SG 14.4

Indicate which of the following tools you use to manage emissions risks and opportunities

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

SG 14.6	Additional information [Optional]
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Where Funds are participating in GRESB, fund specific roadmaps are used to set reduction targets for emissions risks within portfolios, and outline process management for doing so. These roadmaps are assessed annually in line with suggested GRESB improvements, in collaboration with our sustainability consultant.

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 15.1	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

SG 18	Voluntary	Public	Descriptive	General
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SG 18.1	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
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- Yes
- No

Communication

SG 19	Mandatory	Public	Core Assessed	PRI 6
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SG 19.1	Indicate whether your organisation proactively discloses asset class specific information. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.
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	Property
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	Do you disclose?
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- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

Yes

No

Disclosure to public and URL	
<p>Disclosure to public and URL</p> <p><input checked="" type="checkbox"/> ESG information on how you select property investments</p> <p><input checked="" type="checkbox"/> ESG information on how you monitor and manage property investments</p> <p><input checked="" type="checkbox"/> Information on your property investments' ESG performance</p> <p><input type="checkbox"/> Other</p>	<p>Disclosure to clients/beneficiaries</p> <p><input type="checkbox"/> ESG information on how you select property investments</p> <p><input checked="" type="checkbox"/> ESG information on how you monitor and manage property investments</p> <p><input checked="" type="checkbox"/> Information on your property investments' ESG performance</p> <p><input type="checkbox"/> Other</p>
<p>Frequency</p> <p><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>	<p>Frequency</p> <p><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>
<p>URL</p> <p>https://reporting.unpri.org/surveys/PRI-reporting-framework-2017/7859FB0A-EF5A-4E7A-BAB7-DED4F465FE6C/79894dbc337a40828d895f9402aa63de/html/2/?lang=&a=1</p>	
<p>URL</p> <p>https://www.propertyfundsworld.com/2017/10/02/256675/savills-investment-management-achieves-gresb-green-star-status</p>	

SG 19.2

Additional information [Optional]

Our annually submitted PRI transparency report is publicly available at the first URL above, and we promote the report to our clients, peers and other stakeholders. This report discloses detailed information about how we use ESG criteria to select, manage and monitor our real estate asset investments.

Our ESG performance is also reported throughout the year via press releases, such as provided at the second URL above.

The ESG performance of our assets is also reported to investors, beneficiaries, peers and market stakeholders via a dedicated Responsible Investment section in our Quarterly Corporate Update, in quarterly and annual investor reports, and at Fund AGM's.

Savills Investment Management

Reported Information

Public version

Direct - Property

PRI disclaimer

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

Overview

PR 01

Mandatory

Public

Core Assessed

PRI 1-6

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

PR 01.1

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

Yes

PR 01.2

Provide a URL or attach the document

URL

<http://www.savillsim.com/documents/sim-responsible-investment-policy-2018-03-21.pdf>

Attach Document

No

PR 01.3

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

Savills IM integrates the awareness and consideration of ESG issues throughout our investment decision-making process, and believes that doing so is a key part of our primary responsibility towards investors, clients, employees and other stakeholders, as well as those in the wider community.

As a property investment manager, we recognise that it is increasingly important for us to focus on sustainability objectives; these include sustainable development, energy, waste and water consumption, carbon monitoring and reduction.

We endeavour to apply these objectives at each stage of our investment process:

Stock selection

All purchases are reviewed and presented to the TAC. The TAC paper template contain guidance on ESG considerations to be made in stock selection, and purchase due diligence, such as environmental and social risks and opportunities, regulatory compliance, green building accreditation or value-add innovation.

We identify opportunities for, and the inherent risks of, sustainable practices. Opportunities may include tenant engagement to help meet sustainability targets, the installation of green technology and infrastructure within an asset, or participating in benchmark surveys and reporting at both a fund and corporate level. We evaluate and manage the impact that sustainability has on investment performance; for example this may include depreciation costs due to additional capital expenditure or the ability to let or sell a property. We seek to manage these elements in a manner appropriate to each fund or mandate's risk and return profile.

For all investment management mandates Savills Investment Management aims to:

- Meet and where possible exceed the minimum requirements of any relevant planning, construction or environmental legislation; and
- Consider the sustainability credentials of an asset or development prior to purchase and include details in the papers presented to the TAC.

Sustainable Portfolio Management

Property development, refurbishment or fit-out: Integrating sustainability and ESG considerations into the earliest stages of design and construction of asset development, refurbishment or fit-out creates an opportunity to add tangible value to asset value, future-proof against obsolescence, improve occupancy appeal and results in improved building performance.

Property management: Where we manage the assets in our investment portfolios, we select managing agents who have a strong track record in sustainability and responsible property management, and expect that they adhere to

our Responsible Investment strategy and incorporate ESG into all aspects of their management mandate. We expect that our managing agent has integrated the Managing Agents Partnership core provisions for integrating sustainability into property management: <http://www.betterbuildingspartnership.co.uk/our-priorities/managing-agents-partnership>

Our focus on integrated sustainability and ESG into property management practices ensures we are able to continue to add value, improve and enhance assets in our ownership, reduce operation costs and foster tenant satisfaction and occupancy appeal by engaging with occupiers on ESG issues and our own policy.

Energy and water efficiency programmes, waste management plans and performance monitoring and reduction targets, tailored to each portfolio

Disposal strategies

The TAC provides guidance at the time of asset disposal on how to consider ESG criteria in disposal decisions.

Considering sustainability measures and programs at the time of sale may enhance a asset's status and maximize value. Such features help differentiate the asset from other offerings in the market and serve as an indicator of overall quality. By bringing high-performing assets to market exposes us to a greater choice of prospective buyers, and may lead to a more profitable and efficient exit.

We recognise that attitudes towards sustainability may impact investment risk and return, and both asset and fund level performance. We seek to identify both opportunities for, and the inherent risks of, sustainable practices as part of our investment process. Opportunities may include tenant engagement to help meet sustainability targets, the installation of greener technology and infrastructure within an asset, or participating in benchmark surveys and reporting at both a fund and corporate level.

Savills Investment Management evaluates and manages the impact that sustainability has on investment performance, for example, assessing depreciation costs due to additional capital expenditure, or the ability to let or sell a property. We manage these elements in a manner appropriate to each fund or mandate's risk and return profile. For all investment management mandates Savills Investment Management aims to:

- Meet and where possible exceed the minimum requirements of any relevant planning, construction or environmental legislation;
- Consider the sustainability credentials of an asset or development prior to purchase and include details in the papers presented to the Transaction Advisory Committee;
- During ownership, ensure sustainability forms part of each property's asset plan, the progress of which is regularly monitored by the Portfolio Management Committee;
- Collect and analyse energy consumption data for all properties where we have control of the supply, and attempt to do so where we do not;
- Consider Green Leases or a Memorandum of Understanding on Sustainability with tenants where commercially viable, to formalise co-operation between landlord and tenant to improve sustainability;
- Engage with tenants and other stakeholders to promote sustainability and investigate opportunities to reduce the environmental impact of each asset;
- Monitor energy and sustainability legislation for changes and potential financial risk to the portfolio;
- Take a proactive stance with regard to regulatory changes, anticipating and exceeding requirements to preserve long-term value; and
- Disclose all consumption data for reporting under GRESB and UNPRI with results issued to investors.

Fundraising of property funds

PR 02	Mandatory	Public	Core Assessed	PRI 1,4,6
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PR 02.1	Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
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Yes

PR 02.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
- Approach to ESG issues in post-investment processes

PR 02.3

Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]

A statement on Responsible Investment, confirming our position on ESG matters and how they are integrated into business and investment decisions, has been added to the fund placement (or equivalent) documents for all new Funds and products launched from 2015.

A statement of Responsible Investment was added to the fund documents for the Charities Property Fund, the company's largest UK open ended fund, and work is underway to add this statement to the fund documents for all open ended funds.

- No
- Not applicable as our organisation does not fundraise

PR 03	Voluntary	Public	Additional Assessed	PRI 4
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PR 03.1

Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in property when requested by clients.

- We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters because our clients do not request us to do so

PR 03.2

Additional information.

As well as including a dedicated Responsible Investment statement in our fund formation documents from 2015, formal commitments are included in the investment strategy for some funds, in particular those which are open ended such as the UK Income and Growth Fund where a statement is available in the Fund Strategy document. This statement confirms that, at acquisition, functionality and sustainability are key considerations which become paramount in generating capital growth through active management.

The Charities Property Fund (open ended and with a similar strategy to purchase diverse sector, UK assets with a focus on income and capital gain) also has a dedicated Responsible Investment statement in the Terms and Conditions of the Fund's application form which is available on the fund's website: (<http://www.cpfund.co.uk/about/how-to-invest>).

In addition, two other funds implement their own specific, asset focused ESG Policy with a tailor made strategy for incorporating ESG in the asset management of the portfolio.

Pre-investment (selection)

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

PR 04.1	Indicate if your organisation typically incorporates ESG issues when selecting property investments.
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Yes

PR 04.2	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection.
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Approval of the proposal of any investment by the TAC is required before detailed due diligence is undertaken and before binding commitments are made.

The committee requires that an explanation is provided of how the environmental sustainability objectives from our ESG Policy are reflected in the asset selection and/or asset plan:

- identifying rental growth prospects near an expanding public transport hub;
- identifying that possible improvements in environmental performance can be achieved: renewable energy, insulation, recycling, grey water conservation, occupier health / well being initiatives, in particular considering the costs/benefits of such initiatives;
- whether any interaction with tenant(s) has taken place to raise awareness of energy consumption; and
- querying whether the property complies with local environmental / energy performance / sustainability legislation, and providing an EPC rating if available.

Where available, BREEAM, LEED or equivalent environmental rating certificates are sought for the assets.

A Green Due Diligence service is provided by our sustainability consultants at request from the fund's portfolio manager, for each proposed transaction. This comprises a thorough assessment of EPC rating, flood risk, energy usage, water, waste, BREEAM rating, materials used, transport links, and air quality. Fund Managers may also commission an independent environmental survey to identify possible ESG issues ahead of purchase.

PR 04.3	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process, and list up to three examples per issue.
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ESG issues

Environmental

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

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

Description [OPTIONAL]

1. What is the Energy Performance Certificate (EPC) rating? (Obtain existing Certificate(s) and Recommendation Report(s) covering all property units or lettable demises)
2. Is there a Display Energy Certificate (DEC)? What is the rating? (Obtain the certificate(s) and Recommendation Report(s))

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

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

Description [OPTIONAL]

Is there any known ground contamination at the property? (Obtain relevant ground contamination reports e.g. Phase 1 and 2).

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

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

Description [OPTIONAL]

1. Is there a Green Travel Plan in place for the site for the asset? (Obtain copy).
2. Have Travel Surveys been undertaken with tenants / customers? (Obtain copy).
3. Are there existing electric vehicle charging points? If so, what are the contractual arrangements with the charging point installer?

- Social

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

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

Description [OPTIONAL]

Are there strong existing community frameworks or groups that might object or have specific engagement requirements during acquisition or future development phases? Explore prospective local

community groups, charities or schools within the vicinity for future community engagement opportunities.

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

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

Description [OPTIONAL]

Have occupancy satisfaction and perception surveys been carried out? (Obtain historical tenant surveys).

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

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

Description [OPTIONAL]

Have convenience factors, such as 'walk-ability' or score or design and access statement been assessed?

- Governance

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

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

Description [OPTIONAL]

Was there any conflict in asset allocation process? If so, how was this resolved?

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

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

Description [OPTIONAL]

Include a description of the proposed acquisition and ownership structures.

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

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

No

PR 04.4

Additional information. [Optional]

In addition to the above E, S and G issues, consideration of the following are recommended at the TAC, in relation to transaction decisions:

- Biodiversity
- Heritage
- Certification
- Health and Safety Risk Assessment

PR 05

Voluntary

Public

Additional Assessed

PRI 1,3

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

PR 05.1

Indicate what type of ESG information your organisation typically considers during your property investment selection process.

- Raw data from the target property asset/company
- Appraisals/audits
- Benchmarks/ratings against similar property asset
- Country level data/benchmarks
- Data aligned with established property reporting standards, industry codes and certifications
- International initiatives, declarations or standards
- Data from engagements with stakeholders (e.g. tenants and local community surveys)
- Information from external advisers
- Other, specify
- We do not track this information

PR 05.2	Provide a brief description of how this ESG information was incorporated into your investment selection process.
---------	------------------------------------------------------------------------------------------------------------------

ESG information is incorporated into the investment selection process by the inclusion of guidance on E, S and G factors in the TAC. Approval of any purchase, sale or major capex work from the TAC is required before detailed due diligence is undertaken and before binding commitments are made.

The committee requires that an explanation is provided of how the environmental sustainability objectives from our ESG Policy are reflected in the asset selection and/or asset plan:

- identifying rental growth prospects near an expanding public transport hub;
- identifying that possible improvements in environmental performance can be achieved: renewable energy, insulation, recycling, grey water conservation, occupier health / well being initiatives, in particular considering the costs/benefits of such initiatives;
- whether any interaction with tenant(s) has taken place to raise awareness of energy consumption; and
- querying whether the property complies with local environmental / energy performance / sustainability legislation, and providing an EPC rating if available.

Where available, BREEAM, LEED or equivalent environmental rating certificates are sought for the assets.

To help ensure the importance of ESG issues is understood in investment selection and portfolio management decisions, Green Asset Management, Development and Fit - Out guidelines are being produced to provide the necessary tools for teams to deliver asset management opportunities with sustainable performance in mind. We have developed an extensive list of ESG criteria for our standard TAC paper template, prompting the analysis, research and understanding of ESG aspects in investment decisions.

Fund Managers may commission independent environmental surveys from technical consultants to identify possible ESG issues ahead of purchase. Green Due Diligence services are provided by our sustainability consultants at the request from the fund's portfolio manager for each proposed transaction. This comprises a thorough assessment of EPC rating, flood risk, energy usage, water, waste, BREEAM rating, materials used, transport links, and air quality.

PR 06	Mandatory	Public	Core Assessed	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 06.1	Indicate if ESG issues impacted your property investment selection process during the reporting year.
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- ESG issues helped identify risks and/or opportunities for value creation
- ESG issues led to the abandonment of potential investments
- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the investment selection process
- Other, specify
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

PR 06.2

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

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

Selection, appointment and monitoring third-party property managers

PR 07

Mandatory

Public

Core Assessed

PRI 4

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

PR 07.1

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

- Yes

PR 07.2

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

- Selection process of property managers incorporated ESG issues

Types of actions

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

Coverage

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

Types of actions

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

Coverage

- >75% to 100%
 - >50% to 75%
 - >25% to 50%
 - >0% to 25%
- Monitoring of property managers covers ESG responsibilities and implementation

Types of actions

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

Coverage

- >75% to 100%
 - >50% to 75%
 - >25% to 50%
 - >0% to 25%
- No

PR 07.3

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

ESG issues are considered in Savills IM's contracting and monitoring of third party property managers.

Third party contracts have been checked for the inclusion of the following clauses (or similar):

Wherever possible, the Property Manager will:

- Monitor, collect and report resource consumption data
- Engage with tenants on ESG to improve sustainability within the portfolio
- Develop and provide training on sustainable practices/ technologies
- Deliver property management best practice in accordance with the Better Building Partnership (BBP) Managing Agent's Core Provisions (<http://www.managingagentspartnership.co.uk/integrating-sustainability-property-management-services-core-provisions>)

Where such ESG clauses already exist, monitoring performance of and adherence to these has been added to the agenda for regular review meetings between our Fund Managers and the third party property managers. Doing so has allowed Savills IM to centralise different ESG considerations taken by our third party property managers. Where no ESG clauses were found in third party contracts, portfolio managers are in discussions with third party property managers to add these.

Post-investment (monitoring and active ownership)

Overview

PR 08	Mandatory	Public	Gateway	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 08.1	Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.
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Yes

PR 08.2	Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.
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- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and major renovations.
- We consider ESG issues in property occupier engagements
- We consider ESG issues in community engagements related to our properties
- We consider ESG issues in other post-investment activities, specify

See 14.3

PR 08.3	Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets.
---------	-----------------------------------------------------------------------------------------------------------------------------------------------

Savills IM considers ESG issues in monitoring and management of property investments by encouraging property managers to collect and report to our sustainability consultant on consumption, waste and water data where possible, and where we have control of energy consumption, allowing us to create improvement targets for our assets and funds.

In the context of development and refurbishments, Savills IM ensures developments are sustainable and typically delegates the implementation for doing so (via compliance with market standards and best practice) to our development partners via Development Management Agreements. In addition, specialist professional consultants are appointed to provide advice and management of the delivery of the requirements for any environmental performance compliance. In this way, all reasonable endeavours are taken to procure that any investments comply, or indeed exceed, the relevant environmental standards and the responsibility for delivering the results lies with the parties most qualified to do so. Construction works are then procured via the most appropriate route with the professional team and contractors then responsible, via building contracts, to deliver the desired completed product.

Where development and refurbishment activities takes place in Savills IM funds, sustainability and environmental issues of new residential or commercial developments are managed in line with Savills IM's ESG Policy. However, the drivers for the environmental requirements and sustainable strategies within building projects may have more physical influences such as end user requirements, economic viability and central and local government strategy.

In the case of Savills IM's Prime London Residential Development Fund I (PLRDF I), it is typical that a certain level of sustainability consideration would be a condition of any planning consent separate to the UK Building Regulation requirements (defined by statute and therefore the minimum standard for building performance). Such consent would usually include a number of specific sustainability requirements set via a requirement to achieve, say, Code 3 or Code 4 for Sustainable Homes in a residential context. The satisfaction of this condition and achieving the required standards is then monitored by an independent specialist who signs off on the performance of the completed buildings and systems. Whilst the process is similar for commercial developments, the targets and technologies involved do vary. In a commercial context, it should also be noted that institutions as tenants and ultimate landlords have considerable influence on the take up of sustainability measures as ultimately developers are unlikely to bear the full burden of cost for the inclusion of such measures, over and above those required for compliance, where no open market appetite exists.

No

Property monitoring and management

PR 09

Mandatory

Public

Core Assessed

PRI 2,3

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

PR 09.1

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

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

(in terms of number of property assets)

PR 09.2

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

Environmental

Target/KPI	Progress Achieved
Create an action plan for a programme of Green Office initiatives in 2018	At least x1 event / initiative has been scheduled per quarter for 2018, to improve environmental sustainability and enhance ESG engagement across all business functions

Social

Target/KPI	Progress Achieved
Stakeholder engagement with external stakeholders on ESG; map findings in matrix against internal stakeholder engagement (took place in 2017)	Internal stakeholder analysis completed, analysed, and results presented to board. External stakeholder identified and partially engaged.
Carry out gap analysis of health and wellbeing GRESB module, develop action plan determining scope of H & W activity for 2018, participate in GRESB module	Gap analysis performed with HR and WELL accredited sustainability consultant. Action plan created for 2018. GRESB survey will be submitted 30 June 2018.
Create ESG PR and Marketing plan to raise awareness of Savills IM ESG activities	Incomplete

Governance

Target/KPI	Progress Achieved
Gap analysis performed to align ESG reporting with INREV sustainability guidelines, where appropriate	Incomplete
Engage GEC with ESG issues	Met with GEC representatives in Q4 2017 to report achievements over the year and establish priorities for the following year. Annual process established.

We do not set and/or monitor against targets

PR 09.3	Additional information. [Optional]
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We have corporate and fund level annual road maps which allow us to set and track the progress of specific ESG targets. These road maps have been put in place so that we maintain a structured approach to our ESG objectives. The road map objectives target all aspects of ESG: environmental (resources, e.g. water, waste and carbon), social/ engagement/ community matters, and governance/ compliance. Road map ESG targets are SMART (specific, measurable, achievable, realistic, time-related) even where they are qualitative rather than quantitative, to allow for effective implementation and monitoring.

PR 10	Voluntary	Public	Descriptive	PRI 2
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PR 10.1	Indicate whether your property assets are assessed against certification schemes, ratings and/or benchmarks
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Yes

PR 10.2	List the certification schemes, ratings and/or benchmarks your property assets are assessed against and what proportion of your property assets they apply to.
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Add certification scheme, rating and benchmark 1

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

Add certification scheme, rating and benchmark 2

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

Add certification scheme, rating and benchmark 3

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

No

PR 10.3 Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

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

PR 10.4 Additional information.

Ensuring investment individuals are aware of the Minimum Energy Efficiency Standards (MEES) regulations ahead of 2018 was achieved, and all EPC risks identified across our UK assets.

Since 2012, we have completed the GRESB survey for up to 8 funds on an annual basis, improving the overall scores in the last reporting period (2017) by 6%, and by 99% across all funds since participation. This year we will submit the survey for 11 funds, to illustrate our growing commitment to ESG in our assets.

In 2017, we equipped investment and asset management teams with a matrix of green building certification, to help them make educated decisions about the most appropriate certification to strive for on portfolio assets.

C. 2.4 million sq ft of Savills IM global property assets are Green building certification accredited, with 48% of these achieving BREEAM Very Good or better (New Construction and In Use), 20% of these achieving Swedish Green Building Certificate, and 17% achieving the German DGMB Gold rating.

Property developments and major renovations

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

PR 11.1	Indicate the proportion of active property developments and major renovations where ESG issues have been considered.
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- >90% of active developments and major renovations
- 51-90% of active developments and major renovations
- 10-50% of active developments and major renovations
- <10% of active developments and major renovations
- N/A, no developments and major renovations of property assets are active

(by number of active property developments and refurbishments)

PR 11.2	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.
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- Environmental site selection requirements
- Environmental site development requirements
- Sustainable construction materials
- Water efficiency requirements
- Energy efficiency requirements
- Energy generation from on-site renewable sources
- Waste management plans at sites
- Health and safety management systems at sites
- Construction contractors comply with sustainability guidelines
- Resilient building design and orientation
- Other, specify

PR 11.3	Additional information. [Optional]
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Where Savills IM carries out development and refurbishment work, the primary drivers for considering ESG issues is to increase investor returns, asset value, mitigate ESG related risks and enhance environmental sustainability and resilience. Where our funds and mandates meet the criteria for the UK government Energy Savings Opportunity Scheme, portfolios have complied with regulation and carried out necessary audits. Where relevant, end user requirements, economic viability and central government strategy also motivate the consideration of ESG issues.

The fund teams carrying out development and refurbishment projects consider MEES requirements in the course of works and the EPC outcome of any development or refurbishment project.

ESG considerations within developments and refurbishments are monitored and discussed in regular construction meetings between the mandated contractors and health and safety management systems are in place at all sites.

In 2017, a corporate pension scheme mandate managed by Savills IM with an AUM of EUR 748 million (as at 31 December 2017) committed that 100% of the new developments are targeting at least Very Good in the BREEAM New Construction certification.

Occupier engagement

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

PR 12.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
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- >90% of occupiers
- 50-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

(in terms of number of occupiers)

PR 12.2	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
---------	---------------------------------------------------------------------------------------------------------------------------------

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

PR 12.3	Additional information. [Optional]
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In relation to 12.1, during 2017 Savills IM engaged with occupiers across our managed and FRI assets held by UK Funds, by sending them ESG newsletters.

In relation to 12.2, where quarterly reports showing tenant resource consumption data are produced and sent to our fund managers, these are sent to tenants with the view to engaging them concerning resource usage, with a view to discussing potential reduction.

Community engagement

PR 14	Voluntary	Public	Additional Assessed	PRI 2
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PR 14.1	Indicate what proportion of property assets your organisation, and/or your property managers, engaged with the community on ESG issues during the reporting year.
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- >90% of property assets
- 50-90% of property assets
- 10-50% of property assets
- <10% of property assets

(in terms of number of property assets)

PR 14.2	Indicate if the following areas and activities are typically part of your, and/or your property managers', community engagement.
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- ESG education programmes for the community
- ESG enhancement programmes for public spaces
- Research and networking activities focusing on ESG issues
- Employment creation in communities
- Supporting charities and community groups
- Other, specify

PR 14.3	Additional information.
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Savills IM's largest UK Fund, the Charities Property Fund commenced discussion with the Wildlife Trust charity in Shropshire during 2017, regarding a local collaboration on a site in Telford, with an adjacent land area. The Fund team are exploring the potential of this land to be used as the site of an ecology, biodiversity and local community involvement project, designed to enhance this space through social, environmental and ecological interaction. This will enable environmental engagement for local Wildlife Trust charity volunteers, whilst enhancing the natural ecological value and biodiversity ecosystems at the site.

Community engagement in 2017 was also demonstrated by engaging with the local council, during the development a hotel building in Bath, UK, to promote apprenticeship opportunities for local residents.

Outputs and outcomes

PR 15

Voluntary

Public

Additional Assessed

PRI 1,2

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

PR 15.1

Indicate whether your organisation measures how your approach to responsible investment in property investments has affected financial and/or ESG performance.

- We measure whether our approach to ESG issues impacts funds' financial performance
- We measure whether our approach to ESG issues impacts funds' ESG performance

PR 15.2b

Describe the impact on the following.

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

- None of the above

PR 15.3

Describe how you are able to determine these outcomes.

We have used the reporting metrics from the GRESB survey since 2012 to establish how considering ESG issues has positively impacted our funds' ESG performance.

By comparing the scores for up to 10 participating funds from 2012 to 2016 we have been able to measure that Savills Investment Management has improved the ESG performance on these funds by a total of 87%, since participation in the survey.

We monitor and report the carbon footprint of a number of our funds. In 2017 the Charities Property Fund portfolio, with EUR 1.3 billion AUM (as at 31 December 2017) was estimated to have saved a total of 89.9 tonnes of CO₂, comprising a reduction in the consumption of both gas and electricity across the portfolio's assets since the previous reporting year (2016).

The methodology for calculation was measuring electricity and gas consumption, converting the gas to kWh and applying a conversion rate of 0.542 kg/CO₂ per kWh to convert the total kWh into CO₂.

Savills Investment Management

Reported Information

Public version

Assurance

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.

Assurance

CM1 01.1	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:
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- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the implementation of RI processes (that have been reported to the PRI this year)
- Internal audit conducted by internal auditors of the implementation of RI processes and/or RI data that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - Whole PRI Transparency Report has been internally verified
 - Selected data has been internally verified
- Other, specify
 - Savills Sustainability Consultant (separate entity from Savills Investment Management) reviewed our whole UNPRI report before submission. Sign off sheet available on request.
- None of the above

CM1 01.2 & 01.8	Mandatory	Public	Descriptive	
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CM1 01.2	Do you plan to conduct third party assurance of this year's PRI Transparency report?
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- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM1 01.3 & 01.9	Mandatory	Public	Descriptive	General
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CM1 01.3	We undertook third party assurance on last year's PRI Transparency Report
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- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report, or we did not have such a report last year.

CM1 01.4, 10-12	Mandatory	Public	Descriptive	General
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CM1 01.4

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

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

CM1 01.6

Mandatory

Public

Descriptive

General

CM1 01.6

Provide details of the third party assurance of RI related processes, and/or details of the internal audit conducted by internal auditors of RI related processes (that have been reported to the PRI this year)

What RI processes have been assured

- Data related to RI activities

Corresponding indicator number

All - entire report was reviewed by Compliance and Risk Function, and COO

- RI policies

Specify

ESG and Health and Wellbeing

Corresponding indicator number

SG 02

- RI related governance

Corresponding indicator number

All - entire report was reviewed by Compliance and Risk Function, and COO

- Investment selection process in non-listed assets

Corresponding indicator number

All - entire report was reviewed by Compliance and Risk Function, and COO

- Third party property manager SAM process

Corresponding indicator number

All - entire report was reviewed by Compliance and Risk Function, and COO

- Post-investment ESG activities for infrastructure and/or property assets

Corresponding indicator number

All - entire report was reviewed by Compliance and Risk Function, and COO

Other

When was the process assurance completed(dd/mm/yy)

26/03/2018

Assurance standard used

- IIA's International Standards for the Professional Practice of Internal Auditing
- ISAE 3402
- ISO standard
- AAF 01/06
- SSE18
- AT 101 (excluding financial data)
- Other

Specify

-

CM1 01.7	Mandatory	Public	Descriptive	General
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CM1 01.7 Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

Who has conducted the verification

CEO or other Chief-Level staff

Sign-off or review of responses

- Sign-off
- Review of responses
- The Board

Sign-off or review of responses

- Sign-off
- Review of responses
- Investment Committee

Sign-off or review of responses

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