



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company relevant to ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in a company relevant to ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>	
Collaborative engagements	<p><input type="checkbox"/> To support investment decision-making in a company relevant to ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via collaborative engagements</p>		
Service provider engagements	<p><input type="checkbox"/> To support investment decision-making in a company relevant to ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via service providers</p>		

RI TRANSPARENCY REPORT

2017

BBC Pension Trust Limited

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

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

Understanding the Principles Index

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

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

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

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

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

Principles Index

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

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

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Role of investment consultants/fiduciary managers	✓	Public				✓			
SAM 02	RI factors in selection, appointment and monitoring across asset classes	✓	Public	✓						
SAM 03	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private							✓
SAM 04	ESG incorporation strategies	✓	Public	✓	✓					
SAM 05	Selection processes (LE and FI)	✓	Public	✓						
SAM 06	Evaluating engagement and voting practices in manager selection (listed equity/fixed income)	✓	Public		✓					
SAM 07.1	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 07.2-5	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 08	Monitoring processes (listed equity/fixed income)	✓	Public	✓						
SAM 09	Monitoring on active ownership (listed equity/fixed income)	🔒	n/a	✓						
SAM 10	Percentage of (proxy) votes	🔒	n/a		✓					
SAM 11	Percentage of externally managed assets managed by PRI signatories	✓	Private	✓						
SAM 12	Examples of ESG issues in selection, appointment and monitoring processes	✓	Public	✓						✓
SAM 13	Disclosure of RI considerations	✓	Public							✓
SAM End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	🔒	n/a		✓					
LEA 04	Objectives for engagement activities	🔒	n/a		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	✓	Public		✓		✓			
LEA 08	Monitor / discuss service provider information	✓	Public		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Private	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 12	Engagement methods	✓	Private		✓					
LEA 13	Engagements on E, S and/or G issues	✓	Private		✓					
LEA 14	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 15	Examples of ESG engagements	✓	Private		✓					
LEA 16	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 17	Voting policy & approach	✓	Public	✓	✓	✓				
LEA 18	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 19	Percentage of voting recommendations reviewed	✓	Public		✓					
LEA 20	Confirmation of votes	✓	Private		✓					
LEA 21	Securities lending programme	✓	Private		✓					
LEA 22	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 23	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 24	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 25	Shareholder resolutions	✓	Private		✓					
LEA 26	Examples of (proxy) voting activities	✓	Private		✓					
LEA 27	Disclosing voting activities	✓	Public		✓				✓	
LEA End	Module confirmation page	✓	-							

BBC Pension Trust Limited

Reported Information

Public version

Organisational Overview

PRI disclaimer

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

Basic Information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

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

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

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

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

31

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.

31/03/2016

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

	trillions	billions	millions	thousands	hundreds
Total AUM		12	816	000	000
Currency	GBP				
Assets in USD		16	317	401	622

OO 04.4 Additional information. [Optional]

Please note information provided in this report on voting, engagement and ESG activity is to 31 December 2016. The 31 March year end date is used to provide consistency of financial information in the public domain.

OO 06

Mandatory

Public

Descriptive

General

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

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

- as percentage breakdown
- as broad ranges

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

Farmland	0	0
Inclusive finance	0	0
Cash	0	<10%
Other (1), specify	0	0
Other (2), specify	0	0

OO 06.2

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

Gateway asset class implementation indicators

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

OO 10.1

Select the direct or indirect ESG incorporation activities your organisation implemented for listed equities in the reporting year.

- We address ESG incorporation in our external manager selection, appointment and/or monitoring processes
- We do not incorporate ESG in our directly managed listed equity and/or we do not address ESG incorporation in our external manager selection, appointment and/or monitoring processes.

OO 10.2

Select the direct or indirect engagement activities your organisation implemented for listed equity in the reporting year.

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

OO 10.3

Select the direct or indirect voting activities your organisation implemented for listed equity in the reporting year

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

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

OO 11.2

Select the externally managed assets classes where you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes (during the reporting year)

- Fixed income – SSA
- Fixed income – corporate (financial)
- Fixed income – corporate (non-financial)
- Private equity
- Property
- Infrastructure
- Hedge funds
- Cash
- None of the above

BBC Pension Trust Limited

Reported Information

Public version

Strategy and Governance

PRI disclaimer

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

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input 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 type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input 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
- Processes / approaches to incorporating ESG
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4 Indicate what norms you have used to develop your investment policy that covers your responsible investment approach.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

SG 01.5 Describe your organisation’s investment principles, and overall investment strategy, and how they consider ESG factors and real economy impact.

The Scheme has adopted the Hermes Responsible Ownership Principles in addition the Scheme Statement of Investment Principles covers the Scheme’s investment beliefs. The belief in respect of ESG is as follows; The Trustees believe that well governed companies that manage their businesses in a responsible way will produce higher returns over the long term. The Scheme’s responsible investment policy has an important role to play in safeguarding and enhancing the long term value of the Scheme’s assets. Specifically, the Trustees recognise climate change could be a long term risk for the fund and has the potential to impact the Scheme’s investment strateg. Through employing a voting and engagement overlay service the Scheme looks to engage with companies in which it invests to encourage them to maintain high standards of governance and to operate in a socially and environmentally responsible way. The Scheme monitors its exposure to climate change and requires fund managersto take climate change related factors into account and reviews their policies.

No

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

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

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

- Policy setting out your overall approach

URL/Attachment

- URL

URL

<http://www.bbc.co.uk/mypension/aboutthescheme/responsible>

- Attachment (will be made public)
- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- Screening / exclusions policy
- Engagement policy

URL/Attachment

- URL

URL

http://downloads.bbc.co.uk/mypension/en/disclosures_re_stewardship_codes.pdf

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

URL/Attachment

- URL

URL

http://downloads.bbc.co.uk/mypension/en/disclosures_re_stewardship_codes.pdf

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

SG 02.2

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

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Processes / approaches to incorporating ESG
- Time horizon of your investment
- ESG incorporation approaches
- Reporting
- 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://downloads.bbc.co.uk/mypension/en/investment_principles_2016.pdf

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.

100% of the Schemes assets are invested through external managers. The alignment of interests between the manager and the Scheme are considered on appointment and the investment managers policies on conflicts of interest are regularly monitored to ensure they are both appropriate and effective.

No

SG 03.3

Additional information. [Optional]

As part of the Scheme's own internal governance a conflict of interest policy exists such that a Trustee with a personal or business interest in any agenda item is expected to declare a conflict of interest immediately before a Board meeting starts. Any such declaration is recorded and the other Trustees present decide whether it is appropriate for him or her to participate in discussion of/or vote on, the item(s) in question. The Trustees have agreed a Conflicts of Interest policy that allows a Trustee to stand down from a Board meeting.

This policy is made public in the governance booklet found on the scheme website see http://downloads.bbc.co.uk/mypension/en/governance_booklet.pdf

Objectives and strategies

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

SG 05.1 Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

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

Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
-------	-----------	--------	---------------	---------

SG 07.1 Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
- Investment analysts
- Dedicated responsible investment staff
- External managers or service providers
- Investor relations
- Other role, specify (1)
 - In - house Investment team

Other description (1)

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

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

Number

0

SG 07.4 Additional information. [Optional]

The in-house investment team is responsible as part of it's activities to ensure the Scheme's Responsible Investment policy is complied with in addition to their other investment responsibilities. Engagement and voting is actioned by the engagement overlay advisor, EOS.

The internal team and trustees discuss engagement priorities with EOS and come to a conclusion as to which engagements the Scheme wants to contribute to or influence. Milestones are set and reported against.

The internal team can override the EOS voting recommendation if it has sufficient reason to do so. It also acts as a communication link between EOS and the external fund managers to ensure all parties are aware of issues indentified by the screening of the equity holdings .

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]

Hermes was a founder member of the UN PRI and is an active signatory. EOS both leads and participate in collaborative engagements on the PRI Clearinghouse on our behalf. In addition, Hermes provides speakers for signatory events and has participated in a number of asset based working groups, such as the responsible private equity and sovereign bond work streams.

The Scheme has recently signed the Global statement on Investor Obligations and Duties

- AFIC – La Commission ESG
- Asian Corporate Governance Association

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]

Hermes EOS is a very active member on our behalf, supporting and participating various ACGA policy and engagement initiatives. Hermes EOS actively participates in and contributing to ACGA quarterly investors group calls; we have joined ACGA delegations to various Asian markets meeting with local regulators and companies and co-authored the ACGA White Papers on corporate governance in Taiwan and Japan.

- Australian Council of Superannuation Investors
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change

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

- Basic
- Moderate
- Advanced

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

Hermes EOS continued, on our behalf, engagement with a number of companies in Asia to encourage them to participating in the CDP survey; also, they met and discussed with CDP's local partner in China (SynTao) on how to promote best practices among Chinese companies on reporting and disclosure.

- 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)

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]

Hermes was one of the first non-US investors to join the CII and is an active participant in its work to ensure best stewardship of US equity shareholdings. On our behalf they are active members of the Council and usually attend both its spring and autumn meetings. They also participate in regular conference calls organized by the council and by individual members. Their role entails active participation in debates and panels regarding US and international governance matters and developing best practices. They also use CII as a platform for collaborative engagement with other investors on company and public policy initiatives.

- ESG Research Australia
- Eumedion

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]

EOS participates in Eumedion on our behalf and sits on the group's board. In addition, EOS contributed to spearhead letters regarding focus issues for the voting season and to the development of governance best practice in the Netherlands.

- EVCA – Responsible Investment Roundtable
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)

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 are a member in our own right and have signed up to their Investor Statements.

Hermes EOS, our service provider, is also a members of IIGCC's Corporate Working Group on our behalf. They have also signed both the 2014/2015 Investor Statement on Climate Change and a statement on carbon market reform through IIGCC in support of a one-off set- aside of EU Emissions Allowances. They were also party to a letter to the G7 Finance Ministers on Climate Risk ahead of the COP21 talks in Paris supporting long term emissions reductions.

- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)

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

- Basic
- Moderate
- Advanced

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

On our behalf Hermes EOS is an active contributor to the work of the 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 EuroSIF, KoSIF,

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]

On our behalf Hermes takes a number of roles in social investment forums globally. For example, Hermes EOS sits on the board of the Korean Social Investment Forum (KoSIF). Hermes is a member of EuroSIF, KoSIF.

- 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

Forest Footprint Disclosure

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

- Basic
- Moderate
- Advanced

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

Hermes EOS participates in the Forest Footprint Disclosure Project (FFD) on our behalf. Hermes was a founding member of the FFD and one of only two investors on the steering committee. EOS supports the work of the FFD by engaging with companies to encourage them to respond to the survey and enhance their disclosure in this area.

- Other collaborative organisation/initiative, specify

Assogestioni

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

- Basic
- Moderate
- Advanced

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

Hermes EOS works on our behalf with Assogestioni at major AGMs and voting items at Italian companies

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

SG 10	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

SG 10.1

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

Yes

SG 10.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Wrote articles on responsible investment in the media.
- Other, specify

specify description

Was a partner in the Mercer report 'Investing in a time of Climate Change' published in 2015. A Scheme specific report was published in 2016.

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]

Our engagement service provider, Hermes EOS, is involved in the following key networks on our behalf. • Asian Corporate Governance Association (ACGA) • Assogestioni (Italy) • Canadian Coalition of Good Governance (CCGG) • Carbon Disclosure Project & Water Disclosure Project • Council of Institutional Investors (USA) • Dansif (Denmark) • DSW (German Shareholder Association) • Eumedion (Netherlands) • European Investors' Working Group • Eurosif (Europe) • FIR (French Social Investment Forum) • International Corporate Governance Network (ICGN) • International Investors Group on Climate Change (IIGCC) • National Association of Pension Funds (UK) • UKSIF • UN Environment Finance Initiative (UNEP FI)

Implementation not in other modules

SG 12

Mandatory

Public

Descriptive

PRI 1

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

SG 12.1

Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

SG 12.2

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

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

SG 16**Mandatory****Public****Descriptive****General****SG 16.1**

Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Private equity	ESG matters are considered on appointment and thereafter monitored. ESG matters are discussed as part of periodic investment reviews and managers are encouraged to sign up to the UNPRI if not already done so.
Infrastructure	ESG matters are considered on appointment and thereafter monitored. ESG matters are discussed as part of periodic investment reviews and managers are encouraged to sign up to the UNPRI if not already done so.

BBC Pension Trust Limited

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

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

Overview

SAM 01

Mandatory

Public

Core Assessed

PRI 4

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

SAM 01.1

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

- Yes, we use investment consultants

SAM 01.2

Indicate how your organisation uses investment consultants in the selection, appointment and/or monitoring of external managers.

- We use investment consultants in our selection and appointment of external managers

Asset class

- Listed Equity (LE)
 Fixed income - SSA
 Fixed income - Corporate (financial)
 Fixed income - Corporate (non-financial)
 Property (PR)

- We use investment consultants in our monitoring of external managers

Asset class

- Listed Equity (LE)
 Fixed income - SSA
 Fixed income - Corporate (financial)
 Fixed income - Corporate (non-financial)
 Property (PR)

SAM 01.3

Indicate if your organisation considers responsible investment in the selection, appointment and/or review processes for investment consultants.

- Responsible investment is incorporated in the selection process for investment consultants
- Consultants' responsibilities in terms of responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with them.
- Responsible investment is considered when reviewing investment consultants' advice on manager selection and performance monitoring.
- We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.
- Yes, we use a fiduciary manager that delegates management of some or all of our assets to third-party managers.
- No, we do not use investment consultants or fiduciary managers.

SAM 02	Mandatory	Public	Gateway	PRI 1
--------	-----------	--------	---------	-------

SAM 02.1 Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Listed equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Fixed income - SSA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fixed income - Corporate (financial)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fixed income - Corporate (non-financial)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

SAM 02.2 Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

We discuss the managers approach to ESG and request a copy of their ESG policy, whether they have signed up to the UNPRI (this is not a deal breaker) and evidence of actions taken in light of their stated policies. For example for a property manager; purchasing 'green' buildings, upgrading existing properties in portfolios and implimenting, where tenants permit, 'green' leases. Ongoing we receive management reports on ESG activity. NB: We still have legacy managers who were appointed prior to implimentation of our policies.

Listed Equity and Fixed Income Strategies

SAM 04	Mandatory	Public	Gateway	PRI 1,2
--------	-----------	--------	---------	---------

SAM 04.1 Indicate which of the following ESG incorporation strategies you require your external manager(s) to implement on your behalf:

Active investment strategies

Active investment strategies	Listed Equity	FI - Corporate (financial)?	FI - Corporate (non-financial)?
Screening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Thematic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Passive investment strategies

Passive investment strategies	Listed Equity				
Screening	<input type="checkbox"/>				
Thematic	<input type="checkbox"/>				
Integration	<input checked="" type="checkbox"/>				
None of the above	<input type="checkbox"/>				

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

The passive listed equity holdings are units in either cap weighted indices or fundamental weighted eg RAFI funds. The underlying holdings are determined by the index. They are the ultimate long term share owners and therefore it is vital they have an adequately resourced voting and engagement function. All passive managers were appointed before we included ESG integration in selection however we routinely engage with their corporate governance departments to discuss their voting and engagement program and their focus on ESG during the course of engagements. We also receive voting and engagement reports and from these we monitor their activities to ascertain they vote and engage with the investee companies on many issues including ESG.

Selection

SAM 05	Mandatory	Public	Core Assessed	PRI 1
---------------	------------------	---------------	----------------------	--------------

SAM 05.1 Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

	LE	FI - Corporate (financial)?	FI - Corporate (non-financial)?		Property
Investment strategy and how ESG objectives relate to it	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
ESG incorporation requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
ESG reporting requirements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
No RI information covered in the RFPs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>

SAM 05.2

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

Strategy

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

ESG people/oversight

	LE	FI - Corporate (financial)?	FI - Corporate (non-financial)?		Property	
Assess ESG expertise of investment teams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	
Review the ownership of the ESG implementation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>	
Review how is ESG implementation enforced /ensured	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>	
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	

Process/portfolio construction/investment valuation

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

SAM 05.3

Describe the selection process

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

Discussion and review of Investment Consultants due diligence reports

SAM 05.4

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

	LE	FI - Corporate (financial)?	FI - Corporate (non-financial)?	Property
ESG score	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG weight	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Real world economy targets	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other RI considerations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SAM 06

Mandatory

Public

Additional Assessed

PRI 2

SAM 06.1

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

Engagement

	FI - Corporate (financial)?	FI - Corporate (non-financial)?
Review the manager's engagement policy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's engagement process (with examples and outcomes)	<input type="checkbox"/>	<input type="checkbox"/>
Ensure that engagement outcomes feed back into the investment decision-making process	<input type="checkbox"/>	<input type="checkbox"/>
Other engagement issues in your selection process specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

SAM 06.2

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

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

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

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

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

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

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

Asset class

- Listed equity (LE)

Benchmark

- Standard benchmark, specify

For active managers a target over market cap weighted benchmark is required. The managers report on performance quarterly detailing a market commentary, portfolio issues (inc ESG) and portfolio activity

- ESG benchmark, specify

Objectives

- We do not define ESG objectives

Incentives and controls

- Fee based incentive
- Termination
- No fee/ breach of contract

Reporting requirements

- Ad-hoc/when requested
 - Annually
 - Bi-annually
 - Quarterly
 - Monthly
- Fixed income - Corporate (financial)

Benchmark

- Standard benchmark, specify
Barclays Sterling Aggregate £100 million non-Gilt Index
- ESG benchmark, specify

Objectives

- We do not define ESG objectives

Incentives and controls

- Fee based incentive
- Termination
- No fee/ breach of contract

Reporting requirements

- Ad-hoc/when requested
 - Annually
 - Bi-annually
 - Quarterly
 - Monthly
- Fixed income - Corporate (non-financial)

Benchmark

- Standard benchmark, specify
85% Barclays Capital Global Aggregate - Corporates, ex Tier 1 and Upper Tier 2 (Banking and Insurance) Index (GBP Hedged) 15% JPMorgan CEMBI (GBP Hedged) prior; Barclays Capital Global Aggregate - Corporates, e x Tier 1 and Upper Tier 2 (Banking and Insurance) Index (GBP Hedged)

ESG benchmark, specify

Objectives

We do not define ESG objectives

Incentives and controls

Fee based incentive

Termination

No fee/ breach of contract

Reporting requirements

Ad-hoc/when requested

Annually

Bi-annually

Quarterly

Monthly

Property

Benchmark

Standard benchmark, specify

The standard benchmark is IPD + a target, or a real return depending on portfolio. The managers report on performance quarterly detailing a market commentary, portfolio issues (inc ESG) and portfolio activity. Key statistics are also monitored such as proportion of lease expires each year v total in future years and vacancy rates. NB: IPD is now part of MSCI. We require the manager to have a BEAM rating for each property and an action plan to improve its rating.

ESG benchmark, specify

Objectives

We do not define ESG objectives

Incentives and controls

Fee based incentive

Termination

No fee/ breach of contract

Reporting requirements

Monthly

Quarterly

Bi-annually

Annually

Ad-hoc/when requested

SAM 07.3

Explain how your organisation evaluates the reporting capacity of the manager to meet your reporting requirements during the selection process

	LE	FI - Corporate (financial)?	FI - Corporate (non-financial)?	Property
Agree upon ESG reporting requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review ESG reporting processes and capacity in place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Agree processes for raising ad-hoc ESG issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SAM 07.4

Explain which of these actions your organisation might take if any of the requirements are not met

- Discuss requirements not met and set project plan to rectify
- Review performance in more detail
- Place investment manager on a “watch list”
- Investigate reason for non-compliance
- Require action plan from the manager
- Negotiate fees
- Failing all actions, terminate contract with the manager
- Other, specify
- No actions are taken if any of the requirements are not met

Monitoring

SAM 08

Mandatory

Public

Core Assessed

PRI 1

SAM 08.1

When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates from the investment manager in meetings/calls

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

SAM 08.2

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

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

Outputs and outcomes

SAM 12.1	Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.
-----------------	---

Add Example 1

Topic or issue	Monitoring of ESG risk in one of the property portfolios
Conducted by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants
Asset class	<input type="checkbox"/> All asset classes <input type="checkbox"/> Listed Equity <input type="checkbox"/> Fixed income – corporate (financial) <input type="checkbox"/> Fixed income – corporate (financial) <input checked="" type="checkbox"/> Property
Scope and process	Aim to acheive a snapshot of property managers actions and monitoring in light of the risk presented by the Energy Act 2011. Discuss various style, layout and report contents to be included in the quarterly report.
Outcomes	Acheived a report that showed the change in risk level across the portfolio, projects completed in the period and agreed actions for mitigating the risk. For example in 2016 the Green Lease was lauched to be used for tenant lease renewals where ever possibl.

Add Example 2

Topic or issue	
Conducted by	<input type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input type="checkbox"/> Listed Equity <input type="checkbox"/> Fixed income – corporate (financial) <input type="checkbox"/> Fixed income – corporate (financial) <input type="checkbox"/> Property
Scope and process	
Outcomes	

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

Communication

SAM 13	Mandatory	Public	Core Assessed	PRI 6
--------	-----------	--------	---------------	-------

SAM 13.1 Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.

- Yes, we disclose information publicly

provide URL

http://downloads.bbc.co.uk/mypension/en/hermes_annual_report_2016.pdf

provide URL

<http://www.hermes-investment.com/bbc/index.htm>

SAM 13.2 Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries.

- Yes

SAM 13.3

Indicate what type of information your organisation proactively discloses to the public and clients and/or beneficiaries about your indirect investments.

- How responsible investment considerations are included in manager selection, appointment and monitoring processes
 - Details of the responsible investment activities carried out by managers on your behalf
 - E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership
 - Other, specify
- No
- Yes, we disclose information to clients/beneficiaries only
- We do not proactively disclose information to the public and/or clients/beneficiaries

BBC Pension Trust Limited

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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

Engagement

Overview

LEA 01	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

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

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

Yes

LEA 01.2 Indicate what your engagement policy covers:

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

LEA 01.3 Attach or provide a URL to your engagement policy. [Optional]

URL

<http://www.bbc.co.uk/mypension/aboutthescheme/responsible>

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

Our service provider Hermes EOS engages with companies on behalf of its clients on environmental, social and ethical, governance, strategy, risk and communication issues with the goal of achieving beneficial change with respect to risk management, value creation and reputation. Engagements are objective-driven and follow a structured, milestone-driven approach. Interactions are sought at the board, senior management and specialist level, which is complemented by collaborations with other investors where appropriate. The work is carried out by a multinational team with diverse experience and skills. All company engagements are sought to be complementary to Hermes EOS' public policy, best practice and voting work.

No

LEA 02	Mandatory	Public	Gateway	PRI 1,2,3
--------	-----------	--------	---------	-----------

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

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via service providers

LEA 02.2 Additional information. [Optional]

See LEA 1.4 for further information on the engagement service provided by Hermes EOS

Process

Process for engagements conducted via collaborations

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

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

LEA 05.1 Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements

Yes

LEA 05.2

Describe the criteria used to identify and prioritise collaborative engagements

- Potential to learn from other investors
 - Ability to add value to the collaboration
 - Geography / market of the companies targeted
 - Materiality of ESG factors
 - Systemic risks to global portfolios
 - Exposure (holdings)
 - In response to ESG impacts which has already taken place
 - In response to divestment pressure
 - Client requests
 - Other, describe
- No

LEA 05.3

Additional information [Optional]

Engagement plans are discussed and formulated in advance with Hermes EOS making best use of their resource. Plans are overridden and additional engagements are undertaken when significant ESG matters occurring in investee companies are brought to our attention. Eg. Petrobas and VW

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

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

LEA 06.1

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

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

LEA 06.2

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

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

LEA 06.3

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

Yes

LEA 06.4

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

- Define timelines for milestones and goals
- Tracking, monitoring progress against defined milestones and goals
- Establish a process for when the goals are not met
- Revisit and, if necessary revise the goals on a continuous basis
- Other, please specify

No

LEA 06.5

Additional information. [Optional]

The milestones for collective engagements are formulated by Hermes EOS our service provider

Process for engagements conducted with/on your behalf by service providers

LEA 07

Mandatory

Public

Core Assessed

PRI 2,4

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

LEA 07.1

Indicate if you play a role in the engagement process that your service provider conducts on your behalf.

Yes

LEA 07.2	Indicate the role(s) you play in engagements that your service provider conducts on your behalf.
-----------------	--

- Discuss the topic (or ESG issue(s)) of engagement
 - Discuss the rationale for engagement
 - Discuss the objectives of the engagement
 - Select the companies to be engaged with
 - Discuss the frequency/intensity of interactions with companies
 - Discuss progress towards the engagement objectives
 - Monitor and review outcomes that have been achieved from the engagement
 - Discuss next steps for engagement activity
 - Participate directly in certain engagements with your service provider
 - Ad hoc monitoring and review of engagement processes.
 - Other, specify
- No

LEA 07.3	Additional information. [Optional]
-----------------	------------------------------------

We actively monitor and review the activities of our service provider Hermes EOS through quarterly calls and regular reports. Hermes EOS provide a client facing portal which allows us to refer to the full history of engagement with each company and track progress. Occassionally we have joined the service provider in engagement meetings .

LEA 08	Mandatory	Public	Core Assessed	PRI 2,6
---------------	------------------	---------------	----------------------	----------------

LEA 08.1	Indicate whether you monitor and/or discuss the following information provided to you by your service provider
-----------------	--

- Please select all that apply
- The subject (or ESG issue(s)) of engagement
 - The objectives of the engagement
 - The rationale for engagement
 - The frequency/intensity of interactions with companies
 - Progress towards achieving engagement goals
 - Outcomes that have been achieved from the engagement
 - Next steps for engagement activity
 - Other, specify
 - None of the above

General processes for all three groups of engagers				
---	--	--	--	--

LEA 10	Mandatory	Public	Gateway	PRI 2
---------------	------------------	---------------	----------------	--------------

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

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

LEA 10.2 Additional information. [OPTIONAL]

Hermes EOS' regular reporting provides full disclosure on the number of engagements conducted on our behalf

Communication

LEA 16

Mandatory

Public

Core Assessed

PRI 2,6

LEA 16.1 Indicate whether your organisation proactively discloses information on its engagements.

We disclose it publicly

provide URL

http://downloads.bbc.co.uk/my pension/en/hermes_annual_report_2016.pdf

LEA 16.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

LEA 16.3

Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.

Engagement information disclosed

- Details of the selections, priorities and specific goals of engagement
- Number of engagements
- Breakdown of engagements by type/topic
- Breakdown of engagements by region
- An assessment of the current status of the engagement
- Outcomes that have been achieved from the engagement
- Other information

LEA 16.4

Indicate how frequently you report engagements information.

- Disclosed continuously (prior to and post engagements)
- Disclosed quarterly or more frequently
- Disclosed biannually
- Disclosed annually
- Disclosed less frequently than annually
- Ad hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
- We do not proactively disclose it to the public and/or clients/beneficiaries.

(Proxy) voting and shareholder resolutions

Overview

LEA 17

Mandatory

Public

Gateway

PRI 1,2,3

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

LEA 17.1

Indicate whether your organisation has a formal voting policy.

- Yes

LEA 17.2

Indicate what your voting policy covers:

- Conflicts of interest
- Prioritisation of voting activities
- Transparency
- Decision making processes
- Environmental factors
- Social factors
- Governance factors
- Filing/co-filing resolutions
- Extraordinary meetings
- Share blocking
- Regional voting practices
- Record keeping
- Company dialogue pre/post vote
- Securities lending process
- Other, describe
- None of the above

LEA 17.3

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

URL

<http://www.bbc.co.uk/my pension/aboutthescheme/responsible>**LEA 17.4**

Provide a brief overview of your organization's approach to (proxy) voting.

Hermes EOS undertakes intelligent voting on our behalf according to our own proxy voting policy. This means that all proxies are voted in line with the individual circumstances of the company and the vote, rather than using a box-ticking approach or as a compliance driven activity.

LEA 17.5

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

The vote is viewed as an annual governance health check and voting work is strongly linked with corporate engagement. The vote is not perceived as an end in itself but rather as a mechanism which precipitates further change where required. Hermes EOS files shareholder proposals in markets where it is relevant to do so, typically in Germany and the US, either as lead filer or as co-filer alongside other investors. Consistent with its intelligent voting approach, this typically forms part of a wider engagement with the company and is used as a tool for leverage in its dialogue with management. Where, in accordance with its policies, Hermes EOS has executed a vote against management on large holdings or otherwise high-profile companies, it seeks to follow up with the company either in writing to explain the reasons giving rise to a vote against and the steps that it would like to see the company take to rectify the issue. As necessary, Hermes EOS will look to engage with the company before the meeting to ensure that the issue giving rise to the vote against is addressed so that it can vote in line with management's recommendation, a vote 'for' management 'by exception,' in subsequent years. It may look to vote against management in a number of different scenarios. While it is difficult to provide a general description, typically this will be where a vote with management would not serve the best long-term interests of shareholders. This may be either in terms of remuneration or where there are insufficient skills on the board to take the company forward. There may also be specific instances where a vote in favour of management would be actively detrimental to the company, for example in the case of a merger or acquisition. Hermes EOS rarely abstains on votes. In the very rare instances that it does consider abstaining, this may be because it is unable to vote with management - typically due to inadequate information being provided - but where a vote against management may appear unduly harsh. Hermes EOS always seeks to obtain the required information to make an informed voting decision but this may not always be possible.

No

Process

LEA 18

Mandatory

Public

Descriptive

PRI 2

LEA 18.1

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

Approach

- We use our own research or voting team and make voting decisions without the use of service providers.
- We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions.
- We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.

Based on

- the service provider voting policy signed off by us
- our own voting policy
- our clients' requests or policy
- other, explain
- We hire service provider(s) that make voting decisions on our behalf.

LEA 18.2	Additional information.[Optional]
----------	-----------------------------------

Hermes EOS provide us with voting recommendations based on our voting policy which are input on the voting platform prior to the vote deadline. The voting recommendations are then cast as voting instructions if there is no further intervention, except in the case of shareblocking votes. Where the vote undertaken by our service provider on our behalf is likely to be different to our investment managers views we will review the circumstances and instruct the voting accordingly.

LEA 19	Mandatory	Public	Descriptive	PRI 2
--------	-----------	--------	-------------	-------

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

LEA 19.1	Of the voting recommendations that your service provider made in the reporting year, indicate the percentage reviewed by your organisation, giving reasons.
----------	---

	Percentage of voting recommendations your organisation reviewed
--	---

- >20%,
- 5-20%,
- 1-5%,
- <1%

	Reasons for review
--	--------------------

- Specific ESG issues
- Votes for significant holdings
- Votes against management and/or abstentions
- Conflicts of interest
- Corporate actions such as M&A, disposal, etc.
- Votes for companies with which we have an active engagement
- Client requests
- Ad-hoc oversight of Service Provider
- Shareholder resolutions
- Share blocked securities
- Other, explain

LEA 22	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

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

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

- Yes, in most cases
- Sometimes, in the following cases:
 - Votes for selected markets
 - Votes relating to certain ESG issues
 - Votes for significant shareholdings
 - Votes for companies we are engaging with
 - On request by clients
 - Other
- Neither we nor our service provider raise concerns with companies ahead of voting

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

- Yes, in most cases
- Sometimes, in the following cases.
 - Votes in selected markets
 - Votes on certain issues
 - Votes for significant shareholdings
 - Votes for companies we are engaging with
 - On request by clients
 - Other
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

Outputs and outcomes

LEA 23	Mandatory	Public	Core Assessed	PRI 2
---------------	------------------	---------------	----------------------	--------------

LEA 23.1	For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
-----------------	--

- We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
--	---

100

Specify the basis on which this percentage is calculated

- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted

LEA 23.2 Explain your reason(s) for not voting certain holdings

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

LEA 23.3 Additional information. [Optional]

Our service provider Hermes EOS submits vote recommendations on all ballots available to vote in the portfolios for which we have subscribed to their proxy voting service

LEA 24

Mandatory

Public

Additional Assessed

PRI 2




LEA 24.1

Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

- Yes, we track this information

LEA 24.2

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

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	 96
Against (opposing) management recommendations	 4
Abstentions	 0

100%

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

See LEA 17.4 for more information

No, we do not track this information

Communication

LEA 27

Mandatory

Public

Core Assessed

PRI 2,6

LEA 27.1 Indicate if your organisation proactively discloses information on your voting activities.

We disclose it publicly

provide URL

<https://www.hermes-investment.com/ukw/stewardship/voting-disclosure-bbc/>

LEA 27.2 Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

LEA 27.3 Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.

Indicate how much of your voting record you disclose

- All voting decisions
- Some voting decisions
- Only abstentions and opposing vote decisions
- Summary of votes only

Indicate what level of explanation you provide

- Explain all voting decisions
- Explain some voting decisions
- Only explain abstentions and votes against management
- No explanations provided

LEA 27.4

Indicate how frequently you typically report voting information.

- Continuously (primarily before meetings)
- Continuously (soon after votes are cast)
- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/as requested
- No
- We disclose it to clients/beneficiaries only
- We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

LEA 27.8

Additional information. [Optional]

The information disclosed can be lagged by a quarter