



RI TRANSPARENCY REPORT

2019

Church Commissioners for England

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 reporting period specified above. 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.

PRI disclaimer

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OO 01	Mandatory	Gateway/Peering	General
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OO 01.1	Select the type that best describes your organisation or the services you provide.
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- Non-corporate pension or superannuation or retirement or provident fund or plan
- Corporate pension or superannuation or retirement or provident fund or plan
- Insurance company
- Foundation
- Endowment
- Development finance institution
- Reserve - sovereign or government controlled fund
- Family office
- Other, specify

OO 01.3	Additional information. [Optional]
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The Church Commissioners exist to support the work and mission of the Church of England today and for future generations, helping it to remain a Christian presence in every community.

The Commissioners manage the Church of England's endowment fund in a responsible and ethical way, using the investment returns to contribute towards the cost of mission projects, dioceses in low-income areas, bishops, cathedrals, and pensions.

The Commissioners give over £200m a year to the Church of England – accounting for around 15% of the Church's overall income – making the Commissioners one of the largest charitable givers in the UK.

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

OO 02.2	Indicate the number of countries in which you have offices (including your headquarters).
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- 1
- 2-5
- 6-10
- >10

OO 02.3	Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).
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46

OO 02.4	Additional information. [Optional]
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This number represents FTEs in the investment function - both investment and operations staff.

OO 03	Mandatory	Descriptive	General
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OO 03.1	Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.
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- Yes
- No

OO 04	Mandatory	Gateway/Peering	General
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OO 04.1	Indicate the year end date for your reporting year.
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31/12/2018

OO 04.2	Indicate your total AUM at the end of your reporting year.
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Total AUM
8,100,000,000 GBP
10,376,040,474 USD

OO 05	Mandatory to Report, Voluntary to Disclose	Gateway	General
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OO 05.1	Provide an approximate percentage breakdown of your AUM at the end of your reporting year using the following asset classes and investment strategies:
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	Internally managed (%)	Externally managed (%)
Listed equity	0	41
Fixed income	0	9
Private equity	0	6

Property	10	2
Infrastructure	0	1
Commodities	0	0
Hedge funds	0	10
Fund of hedge funds	0	0
Forestry	0	4
Farmland	8	0
Inclusive finance	0	0
Cash	5	0
Money market instruments	0	0
Other (1), specify	3	0
Other (2), specify	1	0

Internally managed 'Other (1)' description

Strategic land

Internally managed 'Other (2)' description

Value-linked loans

OO 06 Mandatory Descriptive General

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

- as percentage breakdown
- as broad ranges

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

- Yes
- No

OO 06.5 Indicate whether your organisation uses fiduciary managers.

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

OO 07 Mandatory to Report, Voluntary to Disclose Gateway General

OO 07.1 Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

Externally managed	40	SSA
	0	Corporate (financial)
	50	Corporate (non-financial)
	10	Securitised

OO 08 Mandatory to Report, Voluntary to Disclose Peering General

OO 08.1 Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds or investments.

Asset class breakdown	Segregated mandate(s)	Pooled fund(s) or pooled investment(s)	Total of the asset class (each row adds up to 100%)						

[a] Listed equity	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	100%						
[b] Fixed income - SSA	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %	100%						
[d] Fixed income – Corporate (non-financial)	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	100%						
[e] Fixed income – Securitised	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	100%						
[f] Private equity	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	100%						
[g] Property	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	100%						
[h] Infrastructure	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	100%						
[j] Hedge funds	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %	100%						
[k] Forestry	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %	100%						

OO 09	Mandatory	Peering	General
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OO 09.1 Indicate the breakdown of your organisation's AUM by market.



OO 10	Mandatory	Gateway	General
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OO 10.1 Select the active ownership activities your organisation implemented in the reporting year.

Listed equity – engagement	
<input checked="" type="checkbox"/>	We engage with companies on ESG factors via our staff, collaborations or service providers.
<input type="checkbox"/>	We require our external managers to engage with companies on ESG factors on our behalf.
<input type="checkbox"/>	We do not engage directly and do not require external managers to engage with companies on ESG factors.
Listed equity – voting	
<input checked="" type="checkbox"/>	We cast our (proxy) votes directly or via dedicated voting providers
<input type="checkbox"/>	We require our external managers to vote on our behalf.
<input type="checkbox"/>	We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf
Fixed income SSA – engagement	
<input type="checkbox"/>	We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
<input type="checkbox"/>	We require our external managers to engage with SSA bond issuers on ESG factors on our behalf.
<input checked="" type="checkbox"/>	We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.
	Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.
	We do not do fixed income engagement ourselves. We encourage our external fixed income managers to engage but do not require it as the value of it is strategy-dependent.
Fixed income Corporate (non-financial) – engagement	
<input type="checkbox"/>	We engage with companies on ESG factors via our staff, collaborations or service providers.
<input type="checkbox"/>	We require our external managers to engage with companies on ESG factors on our behalf.
<input checked="" type="checkbox"/>	We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.
	Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.
	We do not do fixed income engagement ourselves. We encourage our external fixed income managers to engage but do not require it as the value of it is strategy-dependent.
Fixed income Corporate (securitised) – engagement	
<input type="checkbox"/>	We engage with companies on ESG factors via our staff, collaborations or service providers.
<input type="checkbox"/>	We require our external managers to engage with companies on ESG factors on our behalf.
<input checked="" type="checkbox"/>	We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.
	Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.
	We do not do fixed income engagement ourselves. We encourage our external fixed income managers to engage but do not require it as the value of it is strategy-dependent.

00 11	Mandatory	Gateway	General
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00 11.1 Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Property	<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.
Farmland	<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.
Cash	<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.
Other (1)	<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.
Other (2)	<input type="checkbox"/> We address ESG incorporation. <input checked="" type="checkbox"/> We do not do ESG incorporation.

	'Other (1)' [as defined in OO 05]
Strategic land	
	'Other (2)' [as defined in OO 05]
Value-linked loans	

OO 11.2 Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

Asset class	ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
Listed equity	<p>Listed equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>
Fixed income - SSA	<p>Fixed income - SSA - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>
Fixed income - corporate (non-financial)	<p>Fixed income - corporate (non-financial) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>
Fixed income - securitised	<p>Fixed income - securitised - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>
Private equity	<p>Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>
Property	<p>Property - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>
Infrastructure	<p>Infrastructure - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>

Hedge funds	<p>Hedge funds - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation
Forestry	<p>Forestry - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation

OO 11.4 Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

We are guided by our Responsible Investment Framework in taking account of responsible investment (RI) considerations in our investment manager selection, appointment and monitoring processes. All prospective managers are rated on RI; RI considerations are incorporated into appointment documentation; and RI is part of our monitoring process through dialogue and regular re-assessments using our RI rating system.

OO 12 **Mandatory** Gateway General

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

Core modules
<input checked="" type="checkbox"/> Organisational Overview <input checked="" type="checkbox"/> Strategy and Governance
RI implementation directly or via service providers
Direct - Listed Equity active ownership
<input checked="" type="checkbox"/> Engagements <input checked="" type="checkbox"/> (Proxy) voting
Direct - Other asset classes with dedicated modules
<input checked="" type="checkbox"/> Property
RI implementation via external managers
Indirect - Selection, Appointment and Monitoring of External Managers
<input checked="" type="checkbox"/> Listed Equities <input checked="" type="checkbox"/> Fixed income - SSA <input checked="" type="checkbox"/> Fixed income - Corporate (non-financial) <input type="checkbox"/> Fixed income - Securitised <input checked="" type="checkbox"/> Private Equity <input checked="" type="checkbox"/> Property <input checked="" type="checkbox"/> Infrastructure
Closing module
<input checked="" type="checkbox"/> Closing module

OO SAM 01 **Mandatory to Report, Voluntary to Disclose** Gateway General

Private

OO PR 01 **Mandatory to Report, Voluntary to Disclose** Descriptive General

Private

OO PR 02 **Mandatory to Report, Voluntary to Disclose** Gateway General

Private

OO PR 03 **Mandatory to Report, Voluntary to Disclose** Descriptive General

Private

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.

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"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input checked="" 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 checked="" type="checkbox"/> Other, specify (1) Pooled Funds Policy <input type="checkbox"/> Other, specify(2)	<input checked="" type="checkbox"/> Applicable policies cover all AUM <input type="checkbox"/> Applicable policies cover a majority of AUM <input type="checkbox"/> Applicable policies cover a minority of AUM

SG 01.3 Indicate if the investment policy covers any of the following

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

SG 01.4 Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

The Church Commissioners' overarching investment objectives are to:

- manage the fund to ensure sustainable distributions for our beneficiaries
- achieve a total return of RPI +5% per annum measured over the long term
- meet performance benchmarks for individual asset classes
- manage financial risks appropriately
- act within our responsible investment guidelines

The Commissioners' investment policy is to hold a diversified portfolio of investments across a broad range of asset classes consistent with our ethical guidelines.

Two key documents govern the Church Commissioners' ethical and responsible investment policy:

- A Statement of Ethical Investment Policy setting out the exclusions we apply, our ethical expectations of companies in which we invest and our commitment to engagement.
- A Responsible Investment (RI) Framework setting out our RI commitments for our internally managed assets and our RI expectations of our managers for our externally managed assets.

We have individual ethical policies covering a large number of environmental, social & governance issues from a screening, engagement and/or voting perspective.

This makes for a comprehensive framework through which we invest for the long-term as a perpetual endowment, seek to avoid negative impact and enhance positive impact from our investments, and seek to incorporate material ESG issues into investment practice.

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]

Our motivations for pursuing Responsible Investment are both ethical and financial.

Ethical Investment

The Church Commissioners' Statement of Ethical Investment Policy sets out our belief that the way in which we invest forms an integral part of the Church of England's witness and mission. It acknowledges our stewardship responsibilities on behalf of our beneficiaries, and states our commitment to the UK Stewardship Code, PRI and the incorporation of ESG issues into our investment decisions and active ownership.

The policy explains that we incorporate ethical exclusions because we do not wish directly to profit from, or provide capital to, activities that are materially inconsistent with Christian values, and are mindful of the danger of undermining the credibility, effectiveness and unity of the Church's witness were we to do so. The policy explains that we conduct engagement activities because we wish companies in which we invest to manifest

sustainable environmental practice, fair treatment of customers and suppliers, responsible employment practices, conscientiousness with regard to human rights, sensitivity towards the communities in which they operate and best corporate governance practice.

The policy sets out the governance arrangements for ethical investment policy - that the Commissioners receive advice on ethical investment from the Church's Ethical Investment Advisory Group (EIAG) but that legal responsibility for investment decisions rests solely with the Commissioners. Ethical investment policies are adopted by the Commissioners' Board of Governors.

The Commissioners have had an ethical policy since our foundation in 1948. The policy is constantly refreshed and updated. The Statement of Ethical Investment Policy was last amended in 2018. We are committed to an ethical approach across the entirety of our fund but this cannot be done in just one way across such a large and diversified portfolio. We follow asset class/strategy-specific policy guidance on how to integrate ethical considerations in property, hedge funds and pooled funds. We have issue specific policies covering climate change, extractive industries, defence, non-military firearms, gambling, alcohol, pornography, high interest rate lending, genetic modification, executive remuneration and corporate tax.

Responsible Investment

The Commissioners' Responsible Investment (RI) Framework states that the Church Commissioners believe that taking account of ESG issues is an intrinsic part of being a good investor and that we hold this belief for both ethical and financial reasons. Ethically, we think that investors who take account of ESG issues will be better aligned with the broader objectives of society and better corporate citizens. Financially, our experience is that when ESG issues are well managed they can have a good impact on the performance of investments, particularly over the longer term. The Framework states our commitment to the incorporation of material ESG issues into investment analysis and decision-making across all asset classes.

The Framework sets out RI commitments for internally managed assets and RI expectations of managers for externally managed assets. The Framework includes a manager rating system which enables us to categorise managers or prospective managers according to the quality of their RI practices. It also sets out a wide range of indicative ESG issues - from climate change to human rights to diversity - which we expect to incorporate or see incorporated into investment analysis and active ownership when they are material.

The Framework makes clear that adherence to, and implementation of, the Framework is everyone's responsibility in the investment function and that individual investment teams lead on ESG incorporation and active ownership for the area of investments for which they are responsible. The role of the Head of Responsible Investment is to support, monitor and communicate implementation of this policy.

The Framework was approved at trustee level by the Commissioners' Assets Committee in July 2015 and last considered by the Assets Committee at the annual update on RI progress in November 2018.

Climate change and public policy

The Church Commissioners' Board of Governors adopted a new, comprehensive climate change policy in 2015, incorporating exclusions of companies focused on the highest carbon fossil fuels, low carbon investment, engagement with companies and engagement with public policy.

Our public policy objective on climate change is to promote a fair and stable regulatory and structural environment, nationally and internationally, that supports the transition to a low carbon economy, including through greenhouse gas emissions reductions, adaptation to the physical impacts of climate change, appropriate protection for the natural environment, and just and affordable access to energy for the poor. Our public policy engagement on climate change is normally done collaboratively through IIGCC and UKSIF.

In the UK, as the largest investing body of the national church, we also seek actively to input to broader public policy on ESG issues, responding for example to Financial Reporting Council consultations on the Corporate Governance Code and Stewardship Code. We advocate policy that will promote ethical outcomes for society and a sustainable economy, both of which we believe are in the long-term interests of investors.

No

SG 01 CC	Voluntary	Descriptive	General
SG 01.6 CC	Indicate the climate-related risks and opportunities that have been identified and factored into the investment strategies and products, within the organisation's investment time horizon.		
<p>The principal climate-related risk for the Commissioners is transition risk - the risk that our asset allocation, our asset managers or individual investment assets will be poorly positioned for the investment risks and opportunities associated with the transition to a low carbon economy.</p> <p>The other risk is physical risk - the risk that our assets are impacted by the physical risks associated with climate change, such as flooding, fire and extreme weather events, particularly our property, rural and forest assets.</p> <p>We face significant uncertainties around the direction of public policy, developments in technology and its uptake, and the nature and severity of the physical impacts of climate change. The most significant challenge for investment decision-making is that global public policy is not aligned with the target of the Paris Agreement to restrict the global average temperature rise to well below 2 degrees Celsius. Although it is intended that governments will ratchet up their commitments to emissions reduction - their 'Nationally Determined Contributions' - it is not clear that governments will do this, or will do so in time. Governments may also not live up to, or may renege upon, the commitments they have made.</p> <p>In the long term the biggest risk to the Commissioners is that the global average temperature rise is not restricted to well below 2 degrees Celsius causing economic damage that it will not be possible to avoid via asset allocation or investment selection.</p>			
SG 01.7 CC	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?		
<p><input checked="" type="radio"/> Yes</p>			
SG 01.8 CC	Indicate the associated timescales linked to these risks and opportunities.		
<p>The Mercer study 'Investing in a Time of Climate Change' in which we participated in 2015 focused on the period 2015-2050 and modelled the risks and opportunities associated with 2, 3 and 4 degree climate scenarios through to 2050.</p> <p>The study concluded that prior to 2050 transition risks and opportunities are more apparent than physical risks, and that they vary principally according to the strength of public policy on the mitigation of climate change. The study concluded that the physical impacts of climate change become most apparent post 2050.</p> <p>Mercer are, however, currently updating their analysis taking account of developments since 2015, including in climate science, and we are conscious that their conclusions may change.</p>			
<p><input type="radio"/> No</p>			
SG 01.9 CC	Indicate whether the organisation publicly supports the TCFD?		
<p><input checked="" type="radio"/> Yes</p> <p><input type="radio"/> No</p>			

SG 01.10 CC Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.

Yes

Describe
<p>The Church Commissioners adopted a new, comprehensive climate change policy in 2015, incorporating exclusions of companies focused on the highest carbon fossil fuels (thermal coal and oil sands), low carbon investment, engagement with companies, divestment from companies that, after engagement, are not taking their climate responsibilities seriously, and engagement with public policy.</p> <p>In 2017 the Church of England national investing bodies co-founded the Transition Pathway Initiative (TPI) together with the Environment Agency Pension Fund and the Grantham Research Institute at the London School of Economics. TPI is an online tool that tracks alignment with the transition to a low carbon economy of companies in key sectors for carbon emissions. It assesses both companies' management quality on climate change (using FTSE Russell data) and their future carbon performance against the demands of the Paris goals and the Nationally Determined Contributions of parties to the Paris Agreement (using a sectoral decarbonisation approach). The Commissioners use TPI to identify engagement targets and issues.</p> <p>The Commissioners are active participants in Climate Action 100+, a collaborative engagement initiative backed by investors with more than \$32 trillion in assets which asks companies to institute effective climate governance, commit to emissions reductions across their value chain consistent with the Paris goal to restrict the average global temperature rise to well below 2 degrees Celsius, and disclose on climate-related financial risk in line with the recommendations of the TCFD.</p> <p>Our public policy objective on climate change is to promote a fair and stable regulatory and structural environment, nationally and internationally, that supports the transition to a low carbon economy, including through greenhouse gas emissions reductions, adaptation to the physical impacts of climate change, appropriate protection for the natural environment, and just and affordable access to energy for the poor. Our public policy engagement on climate change is normally done collaboratively through IIGCC and UKSIF.</p>

No

SG 1.12 CC Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.

- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other

specify
Website

SG 02 Mandatory Core Assessed PRI 6

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
<input checked="" type="checkbox"/> URL https://www.churchofengland.org/sites/default/files/2017-11/Responsible%20Investment%20Framework.pdf
<input type="checkbox"/> Attachment (will be made public)

Formalised guidelines on environmental factors

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.churchofengland.org/sites/default/files/2017-11/Climate%20Change%20Policy%20.pdf
<input checked="" type="checkbox"/> Attachment (will be made public) Environmental Statement.pdf Genetically modified organisms policy.pdf

Formalised guidelines on social factors

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.churchofengland.org/sites/default/files/2017-11/Supply%20Chain%20Engagement%20Framework_0.pdf
<input checked="" type="checkbox"/> Attachment (will be made public) High Interest Lending Policy.pdf Non-Military Firearms Policy.pdf Pornography Policy.pdf

Formalised guidelines on corporate governance factors

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.churchofengland.org/sites/default/files/2017-11/Executive%20Remuneration%20Policy_0.pdf
<input checked="" type="checkbox"/> Attachment (will be made public)

Fiduciary (or equivalent) duties

URL/Attachment	
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2019-01/Statement%20of%20Ethical%20Investment%20Policy%20-%20October%202018%5B1%5D.pdf
<input type="checkbox"/> Attachment (will be made public)	

Asset class-specific RI guidelines

URL/Attachment	
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2017-11/Property%20Investments%20Policy.pdf
<input type="checkbox"/> Attachment (will be made public)	

Sector specific RI guidelines

URL/Attachment	
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2018-03/Extractive%20Industries%20Policy%20and%20Advice.pdf
<input checked="" type="checkbox"/> Attachment (will be made public)	Alcohol Policy.pdf Defence Investments Policy.pdf Gambling Policy.pdf

Screening / exclusions policy

URL/Attachment	
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2019-01/Statement%20of%20Ethical%20Investment%20Policy%20-%20October%202018%5B1%5D.pdf
<input type="checkbox"/> Attachment (will be made public)	

Engagement policy

URL/Attachment	
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2018-03/Business%20and%20Engagement%202017.pdf
<input type="checkbox"/> Attachment (will be made public)	

(Proxy) voting policy

URL/Attachment	
<input checked="" type="checkbox"/> URL	https://churchinvestorsgroup.org.uk/wp-content/uploads/public/CIG-2019-Voting-Guidelines.pdf
<input type="checkbox"/> Attachment (will be made public)	

Other, specify (1)

Other, specify (1) description	
Pooled Funds Policy	

URL/Attachment	
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2017-11/Pooled%20Funds%20Policy.pdf
<input type="checkbox"/> Attachment (will be made public)	

We do not publicly disclose our investment policy documents

SG 02.2 Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

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

URL/Attachment	
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2017-11/Responsible%20Investment%20Framework.pdf
<input type="checkbox"/> Attachment	

Your investment objectives that take ESG factors/real economy influence into account

	URL/Attachment
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2017-11/Responsible%20Investment%20Framework.pdf
<input type="checkbox"/> Attachment	
<input checked="" type="checkbox"/> Time horizon of your investment	
	URL/Attachment
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2017-11/Responsible%20Investment%20Framework.pdf
<input type="checkbox"/> Attachment	
<input checked="" type="checkbox"/> Governance structure of organisational ESG responsibilities	
	URL/Attachment
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2017-11/Responsible%20Investment%20Framework.pdf
<input type="checkbox"/> Attachment	
<input checked="" type="checkbox"/> ESG incorporation approaches	
	URL/Attachment
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2017-11/Responsible%20Investment%20Framework.pdf
<input type="checkbox"/> Attachment	
<input checked="" type="checkbox"/> Active ownership approaches	
	URL/Attachment
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2018-03/Business%20and%20Engagement%202017.pdf
<input type="checkbox"/> Attachment	
<input checked="" type="checkbox"/> Reporting	
	URL/Attachment
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2017-11/Responsible%20Investment%20Framework.pdf
<input type="checkbox"/> Attachment	
<input checked="" type="checkbox"/> Climate change	
	URL/Attachment
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2017-11/Climate%20Change%20Policy%20.pdf
<input type="checkbox"/> Attachment	
<input checked="" type="checkbox"/> Understanding and incorporating client / beneficiary sustainability preferences	
	URL/Attachment
<input checked="" type="checkbox"/> URL	https://www.churchofengland.org/sites/default/files/2019-01/Statement%20of%20Ethical%20Investment%20Policy%20-%20October%202018%5B1%5D.pdf
<input type="checkbox"/> Attachment	
<input type="checkbox"/> We do not publicly disclose any investment policy components	

SG 02.3 Additional information [Optional].

It is quite hard to fit our policy suite neatly into the categories above.

Our overall approach is covered in two policies - our Statement of Ethical Investment Policy and our RI Framework. The latter url is given in the screening category, the former in the overall approach category.

We have two published policies on environmental issues. The key policy - our climate change policy - is signposted with the url. The wider Environmental Statement is attached. Our policy on GMOs is also attached.

As Church investors we have a large number of policy positions on social issues. The one policy dedicated entirely to social issues that is not a sector-specific policy is our supply chain engagement framework and this is signposted with the url. Our policies on high interest rate lending, non-military firearms and pornography are attached.

In the area of corporate governance, we have policies on executive remuneration (signposted with the url) and corporate taxation (attached).

We discuss how we see ethical investment as part of our fiduciary responsibilities in our Statement of Ethical Investment Policy.

We have a large number of sector specific policies, which set out ethical investment exclusions where these are part of our approach. The url is given for our newest sector specific policy, on the extractive industries. Other policies are included as attachments, covering alcohol, defence and gambling.

Our exclusions are summarised in the annex to our Statement of Ethical Investment Policy.

On engagement, we have a Business and Engagement Policy.

Our proxy voting guidelines - a summary of our full template - are published on the Church Investors Group website on the url given as we operate a common voting policy with the other main church investing bodies in the UK.

We discuss how we see ethical investment as part of our relationship with beneficiaries and the wider Church in our Statement of Ethical Investment Policy.

We have sign-posted our RI Framework for information on ESG in investment policy and in relation to our time horizon but information on our investment strategy and objectives can also found in our annual report: <https://www.churchofengland.org/sites/default/files/2018-05/Church%20Commissioners%20Annual%20Report%202017.pdf>. We are not a pension fund, so do not have a Statement of Investment Principles.

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

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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The Commissioners' Code of Conduct for trustees includes a conflict of interest policy consistent with Charity Commission guidance and the Seven Principles of Public Life set out by the UK's Committee on Standards in Public Life.

There are extensive provisions in the Code "to avoid any danger of members being influenced, or appearing to be influenced, by their private interests (or the interests of those persons or bodies they are closely connected with) in the exercise of their duties as a member". These include a register of interests, the declaration and recording of any interests relating to individual items under discussion at meetings, and withdrawal from meetings in cases of relevant pecuniary interest. Conflicts of loyalty are also covered and there are rules on gifts and hospitality.

Staff are subject to a compliance policy part of which covers conflicts of interest or loyalty. Staff are prohibited from making recommendations or effecting transactions for the Commissioners if they have directly or indirectly a material interest of any description in the recommendation or transaction. Personal dealing by investments staff and connected persons is subject to prior approval by the Commissioners' Compliance Officer and there are rules on gifts and hospitality.

No

SG 04	Voluntary	Descriptive	General
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Private

SG 05	Mandatory	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]
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The objectives and nature of the Commissioners' ethical and responsible investment activities are subject to robust governance and regular trustee and management review.

The Commissioners' Assets Committee conducts separate annual reviews of the implementation of our Responsible Investment Framework, Pooled Funds Policy and Engagement and Voting programme. Additional reporting is provided for the Assets Committee quarterly on the implementation of the Pooled Funds Policy and biannually on the Engagement and Voting programme. Quarterly updates on Responsible Investment activities and progress are provided to the Commissioners' Board.

The work of the Ethical Investment Advisory Group (EIAG) is governed by a work plan agreed on a rolling basis by the EIAG and Church of England National Investing Bodies, with quarterly review at CEO level and monthly review at working level. Collaborative activities on ethical investment undertaken by the National Investing Bodies are also subject to quarterly review at CEO level and monthly review at working level.

Annual RI objectives are agreed for all of the Commissioners' RI staff. Performance against these objectives is formally reviewed half way through the year and at the end of the year.

SG 06	Voluntary	Descriptive	General
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Private

SG 07	Mandatory	Core Assessed	General
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SG 07.1	Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.
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Roles

Board members or trustees

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

Internal Roles (triggers other options)

Select from the below internal roles

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

Other Chief-level staff or head of department, specify

Head of Real Assets

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

Portfolio managers

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

Investment analysts

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

Dedicated responsible investment staff

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

Investor relations

Other role, specify (1)

Other role, specify (2)

External managers or service providers

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

SG 07.2 For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

There are regular items relating to ethical and RI policy development and implementation on the agenda of the Assets Committee and its securities and property sub-committees. Sitting above the Assets Committee, the Commissioners' Board of Governors has overarching responsibility for meeting stakeholder expectations on ethical investment including approving new or amended ethical investment policies.

The Commissioners' CEO oversees overarching ethical policy development and implementation.

The Commissioners' CIO oversees RI policy development and its implementation by the investment team including through line management of the Head of Real Assets, Investment Team Heads and the Head of RI.

The Head of Real Assets oversees ethical and RI policy and implementation with regard to real assets investments.

Team Heads are accountable for the implementation of ethical and RI policy in the asset classes for which they are responsible.

The Head of RI oversees and supports the implementation of ethical and RI policy by the Head of Real Assets and Investment Team Heads e.g. advising on sustainability in property, supporting manager selection, reviewing investment proposals to trustees, advising trustees, and engaging with managers post-appointment on RI.

The Commissioners' stewardship analysts are responsible for implementation of the Commissioners' agreed engagement and voting programmes. The impact investment analyst is responsible for the implementation of the Commissioners' agreed approach to impact investments.

External managers are accountable for their ethical and RI commitments to us including implementation of our investment restrictions.

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

3.5

SG 07.4 Additional information. [Optional]

RI staff comprise the Commissioners' Head of Responsible Investment, senior stewardship analyst, stewardship analyst, and impact investment analyst. The stewardship analyst conducts voting and corporate governance work for both the Church Commissioners and Church of England Pensions Board, is jointly funded by the two bodies, and is therefore recorded as 0.5 FTE.

The Commissioners are advised on ethical investment by the Church of England's Ethical Investment Advisory Group (EIAG), which the Commissioners co-

fund alongside the Church's two other national investing bodies. EIAG Secretariat staff have not been included in the total number for dedicated RI staff.

SG 07 CC	Voluntary	Descriptive	General
SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.		
	Board members or trustees		
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues		
	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee		
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues		
	Other Chief-level staff or head of department		
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues		
	Portfolio managers		
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues		
	Investment analysts		
	<input type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues		
	Dedicated responsible investment staff		
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues		
	External managers or service providers		
	<input checked="" type="checkbox"/> Oversight/accountability for climate-related issues <input checked="" type="checkbox"/> Assessment and management of climate-related issues <input type="checkbox"/> No responsibility for climate-related issues		
SG 07.6 CC	For board level roles for which have climate-related issues oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.		
	<p>The Commissioners' response to climate change is overseen by the Assets Committee. Climate change-related issues featured in Assets Committee papers or discussions at all six meetings in 2018. These issues included climate change engagement and voting, our asset managers' approaches to climate change captured in our RI assessments, and the July 2018 General Synod debate on climate change and investment.</p> <p>Climate change related risks are incorporated into the Commissioners' risk register, which is reviewed for, and at, every Assets Committee meeting.</p>		
SG 07.7 CC	For the management-level roles that assess and manage climate-related issues, provide further information on the structure and process involved.		
	<p>Strategic management of climate-related risk across the investment portfolio is the responsibility of the CIO, including reviewing the results of climate scenario analysis.</p> <p>Management of climate-related risk in real assets is the responsibility of the Head and Deputy Head of Real Assets, supported by the Head of RI. Issues considered include flood risk and Energy Performance Certificates.</p> <p>Incorporation of climate-related risks and opportunities into investment decisions and active ownership by external managers in other asset classes is captured by and monitored using our RI rating system.</p> <p>Climate-related analytics in listed equity, in particular carbon footprint monitoring, is conducted jointly by the listed equity and RI teams using third party data.</p> <p>The RI team are responsible for supporting the continued development and operation of the Transition Pathway Initiative which is used to monitor the alignment of major listed companies with the transition to a low carbon economy. They are also responsible for engagement and voting to encourage better climate performance as well as ensuring that our climate-related investment exclusions (with regard to thermal coal mining and the production of oil from oil sands) are accurately reflected in our restricted list.</p> <p>The Commissioners' public policy engagement on climate-related issues is managed by the Head of RI.</p>		
SG 08	Voluntary	Additional Assessed	General
Private			

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.

 Principles for Responsible Investment

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

Advanced

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

The Commissioners' Head of Responsible Investment is on the advisory committee for the Hedge Funds work stream. He worked with PRI Secretariat staff on developing an asset owner initiative on responsible asset owner tax practice. He is a regular speaker on panels advocating RI and highlighting PRI.

The Commissioners' senior stewardship analyst is a member of the PRI corporate tax engagement programme and leads on two companies. She has chaired some of the collaborative corporate tax engagement calls and led on the development of an information pack of best practice that supported company engagements. She is also a member of the PRI ESG engagement advisory committee.

The Commissioners continue to encourage asset managers to join PRI and participate in PRI activities.

PRI houses the Transition Pathway Initiative in the PRI Secretariat.

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

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

Basic

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

The Commissioners are CDP Climate Change investor signatories and encourage our managers to be signatories too.

 CDP Forests

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

Basic

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

The Commissioners are CDP Forests investor signatories.

 CDP Water

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

Basic

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

The Commissioners are CDP Water investor signatories and supporters of a Church Investors Group engagement programme on CDP Water disclosure.

- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)

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

Basic

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

Our new impact investment analyst attended the GIIN investor forum and is an active user of GIIN materials.

- 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)
Advanced	
	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>The Commissioners' RI team are active in the IIGCC's Policy Group, Corporate Group and Shareholder Resolutions Sub-Group and leading engagers in the IIGCC-led element of Climate Action 100+. The Commissioners' senior stewardship analyst is joint sector co-ordinator for the European oil and gas sector. The Commissioners encourage asset managers to join IIGCC - both our managers and those we meet on climate change. We are advocates of IIGCC in our communications (e.g. Annual Report, Twitter, presentations).</p>	
<input checked="" type="checkbox"/>	Interfaith Center on Corporate Responsibility (ICCR)
	Your organisation's role in the initiative during the reporting period (see definitions)
Basic	
	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>Through membership of the Church Investors Group (CIG), the Commissioners are an observer member of ICCR and interact with US faith-based investors.</p>	
<input checked="" type="checkbox"/>	International Corporate Governance Network (ICGN)
	Your organisation's role in the initiative during the reporting period (see definitions)
Basic	
	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>Our stewardship team members are members of ICGN. Our stewardship analyst attended an ICGN conference in New York in 2018. The Head of RI won the ICGN Global Stewardship Champion Award 2018.</p>	
<input type="checkbox"/>	Investor Group on Climate Change, Australia/New Zealand (IGCC)
<input type="checkbox"/>	International Integrated Reporting Council (IIRC)
<input checked="" type="checkbox"/>	Investor Network on Climate Risk (INCR)/CERES
	Your organisation's role in the initiative during the reporting period (see definitions)
Advanced	
	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>The Commissioners work intensively with CERES as Climate Action 100+ co-leads for ExxonMobil's.</p>	
<input type="checkbox"/>	Local Authority Pension Fund Forum
<input type="checkbox"/>	Principles for Sustainable Insurance
<input checked="" type="checkbox"/>	Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
UKSIF	
	Your organisation's role in the initiative during the reporting period (see definitions)
Advanced	
	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>The Commissioners' Head of Responsible Investment sits on UKSIF's Policy Committee and contributes actively to the development of UKSIF's public policy positions.</p>	
<input type="checkbox"/>	Responsible Finance Principles in Inclusive Finance
<input checked="" type="checkbox"/>	Shareholder Association for Research and Education (Share)
	Your organisation's role in the initiative during the reporting period (see definitions)
Basic	
	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>SHARE are partners of the Church Investors Group and co-leads for Exxon in ClimateAction 100+.</p>	
<input type="checkbox"/>	United Nations Environmental Program Finance Initiative (UNEP FI)
<input type="checkbox"/>	United Nations Global Compact
<input checked="" type="checkbox"/>	Other collaborative organisation/initiative, specify
Church Investors Group	
	Your organisation's role in the initiative during the reporting year (see definitions)
Advanced	
	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
<p>The Commissioners' senior stewardship analyst is a board member of the Church Investors Group and the Commissioners are actively involved in all of the CIG's activities.</p>	
<input checked="" type="checkbox"/>	Other collaborative organisation/initiative, specify
Mercer Future Makers Working Group	
	Your organisation's role in the initiative during the reporting year (see definitions)

Moderate

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

The Commissioners were active partners for the Mercer study 'Investing in a time of Climate Change' which reported in 2015 and are active participants in the follow-up 'Future Makers Working Group' co-ordinated by Mercer which shares climate change best practice. A meeting of the group was held in San Francisco in conjunction with PRI in Person. The Commissioners' Head of RI has reviewed materials for a forthcoming update to the 2015 study.

Other collaborative organisation/initiative, specify

Transition Pathway Initiative

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

Advanced

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

The Transition Pathway Initiative (TPI) is a joint initiative of the Church of England Pensions Board, Church Commissioners and Environment Agency Pension Fund. The Church Commissioners sit on the steering committee and technical advisory group, and have actively helped grow the initiative's supporter base.

Other collaborative organisation/initiative, specify

Climate Action 100+

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

Advanced

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

The Commissioners lead two high profile Climate Action 100+ engagements and are high profile advocates of the initiative in the media and within the investment community.

SG 09.2	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
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Private

SG 10	Mandatory	Core Assessed	PRI 4
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SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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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.
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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.)

Description

The Church Commissioners provide frequent peer to peer RI support and are regularly approached by asset owners, asset managers and service providers to discuss RI. We are active members of the informal UK pension fund RI round table which provides peer support on RI for UK pension funds. Similarly we provide peer to peer support on RI through the Church Investors Group for smaller church investors. Increasingly the CIG and the Commissioners individually are involved in supporting ex-UK church investors. The Commissioners' Head of Responsible Investment sits on the University of Oxford SRI Review Committee.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Provided financial support for academic or industry research on responsible investment

Description

The Commissioners are major funders of the Transition Pathway Initiative which we co-founded. This is generating new research into the alignment of companies' long-term future carbon emissions with the Paris Agreement's 2 degree goal and the Nationally Determined Contributions of signatory governments, as well as a ready reckoner on companies' management quality on climate change. The research and analysis is all available free of charge on the TPI website.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc

Other

Provided input and/or collaborated with academia on RI related work

Description
The Transition Pathway Initiative which the Commissioners co-founded is a collaboration with the Grantham Research Institute at the London School of Economics.
Frequency of contribution
<input checked="" type="checkbox"/> Quarterly or more frequently
<input type="checkbox"/> Biannually
<input type="checkbox"/> Annually
<input type="checkbox"/> Less frequently than annually
<input type="checkbox"/> Ad hoc
<input type="checkbox"/> Other

Encouraged better transparency and disclosure of responsible investment practices across the investment industry

Description
The Church Commissioners encourage better transparency and disclosure of RI practices from all our investment managers - RI reporting is one of the categories of RI practice we assess in our RI rating system and on which we encourage progress by our managers. All our managers must meet a minimum standard of transparency.
Frequency of contribution
<input checked="" type="checkbox"/> Quarterly or more frequently
<input type="checkbox"/> Biannually
<input type="checkbox"/> Annually
<input type="checkbox"/> Less frequently than annually
<input type="checkbox"/> Ad hoc
<input type="checkbox"/> Other

Spoke publicly at events and conferences to promote responsible investment

Description
The Commissioners are very frequent speakers at events and conferences on RI. In 2018 the Commissioners' speaking engagements included the Bloomberg Ethical Investment Forum, Cambridge Judge Business School Conference on Investing for the Long Term, the Charity Times Charity Investment Conference, EuroHedge, the Financial Times Innovating Sustainable Finance Summit, FundForum, the Institutional ESG Investment Summit Europe, RI Europe, the Standards Board for Alternative Investments Nordic Institutional Investor Roundtable, the UK Committee of the World Petroleum Council – Energy Industry in Transition Conference and the Westminster and City ESG conference. We are very supportive of international cooperation and in 2018 were active participants at the ESG Biscay Summit in Spain and a roundtable organised with the Swiss Association for Responsible Investment (SVVK ASIR).
Frequency of contribution
<input checked="" type="checkbox"/> Quarterly or more frequently
<input type="checkbox"/> Biannually
<input type="checkbox"/> Annually
<input type="checkbox"/> Less frequently than annually
<input type="checkbox"/> Ad hoc
<input type="checkbox"/> Other

Wrote and published in-house research papers on responsible investment

Description
The Transition Pathway Initiative publishes regular sector reports when new assessments and analysis are released. New ethical investment policies are typically accompanied by detailed papers from the Church of England Ethical Investment Advisory Group on the RI issue at hand.
Frequency of contribution
<input type="checkbox"/> Quarterly or more frequently
<input checked="" type="checkbox"/> Biannually
<input type="checkbox"/> Annually
<input type="checkbox"/> Less frequently than annually
<input type="checkbox"/> Ad hoc
<input type="checkbox"/> Other

Encouraged the adoption of the PRI

Description
All the Commissioners' managers and prospective managers are asked whether they are PRI signatories and the Commissioners advocate membership and/or adoption of the PRI Principles. The key PRI Principles are embedded into our RI Framework and its six categories of RI practice against which all our managers and prospective managers are assessed.

Frequency of contribution
<input checked="" type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc <input type="checkbox"/> Other

Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

Wrote and published articles on responsible investment in the media

Description
The Commissioners are regularly interviewed in the investment trade press and general media on RI issues, and at times also write and publish articles.

Frequency of contribution
<input checked="" type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc <input type="checkbox"/> Other

A member of PRI advisory committees/ working groups, specify

Description
The Head of RI is on the hedge funds advisory committee. The senior stewardship analyst is a member of the corporate tax working group and ESG engagement advisory committee.

Frequency of contribution
<input checked="" type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc <input type="checkbox"/> Other

On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

Description
The Head of RI is on the UKSIF policy committee, IIGCC policy group, TPI steering committee and Oxford University SRI Review Committee. The senior stewardship analyst is on the IIGCC corporate group and Board of the Church Investors Group.

Frequency of contribution
<input checked="" type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc <input type="checkbox"/> Other

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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The Commissioners are one of the UK's leading asset owners for the advocacy of Responsible Investment both publicly and privately.

We remained particularly active on climate change in 2018 co-leading high profile Climate Action 100+ engagements with ExxonMobil and Glencore.

Our RI Framework encourages RI incorporation, active ownership and transparency by our asset managers with whom we actively work to help them to make progress against the Framework.

Implementing our pooled funds policy, we encourage asset managers, especially in alternatives, to cater for socially responsible investors by creating new investment products incorporating investment restrictions.

SG 11	Voluntary	Additional Assessed	PRI 4,5,6
Private			

SG 12	Mandatory	Core Assessed	PRI 4
SG 12.1	Indicate whether your organisation uses investment consultants.		
	<input checked="" type="checkbox"/> Yes, we use investment consultants		
SG 12.2	Indicate how your organisation uses investment consultants in the selection, appointment and/or monitoring of external managers.		
	<input type="checkbox"/> We use investment consultants in our selection and appointment of external managers <input type="checkbox"/> We use investment consultants in our monitoring of external managers <input checked="" type="checkbox"/> We do not use investment consultants for selection, appointment and monitoring of external managers.		
SG 12.4	Indicate whether you use investment consultants for any the following services. Describe the responsible investment components of these services.		
	<input type="checkbox"/> Custodial services <input type="checkbox"/> Investment policy development <input type="checkbox"/> Strategic asset allocation <input checked="" type="checkbox"/> Investment research		
	<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center; margin: 0;">Describe how responsible investment is incorporated</p> <p>The Church Commissioners do not use an overarching investment consultant. We use a generalist investment consultant for external input on strategic investment issues, and particular pieces of research. We use specialist consultants if we need support on a specific asset class or project. RI support regularly features in our uses of consultants. For example, in 2018 our generalist consultant helped us to benchmark our practice against other asset owners on avoiding indirect exposure to restricted investments to ensure that we were at the forefront of investor practice. We have an ongoing relationship with Mercer on climate change and investment research through the Future Makers Working Group.</p> </div>		
	<input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify (2) <input type="checkbox"/> Other, specify (3) <input type="checkbox"/> None of the above		
	<input type="checkbox"/> No, we do not use investment consultants.		

SG 13	Mandatory	Descriptive	PRI 1
SG 13.1	Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).		
	<input type="checkbox"/> Yes, to assess future ESG factors <input checked="" type="checkbox"/> Yes, to assess future climate-related risks and opportunities		
	<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center; margin: 0;">Describe</p> <p>Investment consultants Mercer conducted climate scenario analysis on our portfolio in 2015, assessing our portfolio against a range of climate change scenarios modelling the investment impacts of a global average temperature rise of two, three and four degrees Celsius by 2100.</p> </div>		
	<input type="checkbox"/> No, not to assess future ESG/climate-related issues		
SG 13.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.		
	<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center; margin: 0;">We do the following</p> <input checked="" type="checkbox"/> Allocation between asset classes <input type="checkbox"/> Determining fixed income duration <input checked="" type="checkbox"/> Allocation of assets between geographic markets <input checked="" type="checkbox"/> Sector weightings <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not consider ESG issues in strategic asset allocation </div>		
SG 13.3	Additional information. [OPTIONAL]		
	<p>We have reviewed strategic asset allocation against climate scenario analysis.</p> <p>We consider ESG risks in relation to the geographical location of real assets investments, including social risks in developing countries e.g. land rights. We have not made rural land or forestry investments in developing countries. Generally we are weighing ESG risks carefully as we increasingly allocate to emerging markets in public and private markets.</p> <p>We monitor the extent to which we hold low carbon investments in all asset classes and we consider carefully our sector weightings in listed equities, including our exposure to oil and gas.</p>		
SG 13 CC	Voluntary	Descriptive	General
SG 13.4 CC	Describe how the organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, the results and any future plans.		
	<input checked="" type="checkbox"/> Initial assessment		

Describe
<p>In 2015, Mercer analysed our full portfolio against climate scenarios modelling the investment impacts of a global average temperature rise of two, three and four degrees Celsius by 2100. This supported initial assessment of the robustness of our portfolio in a range of climate scenarios, including a 2 degrees scenario.</p> <p>In 2016, the 2 Degrees Investing Initiative analysed our listed equity portfolio against a 2 degree scenario for high carbon sectors. This helped further raise our initial awareness of the extent of climate risk in high carbon sectors.</p>

Incorporation into investment analysis

Describe
<p>Mercer's climate scenario analysis found that the Commissioners' strategy of portfolio diversification was supportive of resilience in all four climate scenarios, including the two degrees scenario. In such a 'Transformation' scenario aligned with the goal of the Paris Agreement, the Commissioners' investments in developed market equities (including UK equities) were expected to be negatively impacted by a rapid transformation of the economy, but this was offset considerably by the positive expected impact on returns for emerging market equities, property, timber and infrastructure. In the time since the analysis was conducted in 2015, the Commissioners have increased our exposure to assets that are not expected to be sensitive to the risks posed by climate change including multi-asset strategies.</p>

Inform active ownership

Describe
<p>Mercer's scenario analysis, and that of the 2 Degree Investing Initiative, highlighted sectors particularly exposed to climate risk. Since 2015/16 we have drilled down deeper into sector risks through the Transition Pathway Initiative (TPI), which the Church of England National Investing Bodies co-founded with the Environment Agency Pension Fund and the Grantham Research Institute at the London School of Economics. TPI analyses the management quality and future carbon performance of companies in high risk sectors including oil and gas, mining, electricity utilities, cement, iron and steel, aviation and autos. We use TPI to identify targets and issues for our climate-related active ownership (both engagement and voting). We are also very active supporters of and participants in Climate Action 100+, the collaborative engagement project backed by investors with over \$32 trillion in assets focused on the world's most systemically important listed carbon emitters in the sectors most exposed to climate risk.</p>

Other

SG 13.5 CC	Indicate who uses this analysis.
------------	----------------------------------

- Board members, trustees, C-level roles, Investment Committee
- Portfolio managers
- Dedicated responsible investment staff
- External managers
- Investment consultants/actuaries
- Other

SG 13.6 CC	Indicate whether the organisation has evaluated the impacts of climate-related risk, beyond the investment time-horizon, on the organisations investment strategy.
------------	--

Yes

Describe
<p>Climate scenario analysis inevitably involves consideration of risk in a much longer time horizon than the normal investment time horizon. Mercer's 2015 study particularly highlighted the Commissioners' exposure to disruptive climate risk post-2050 and encouraged an urgent approach to policy and corporate engagement today to mitigate these risks. Scenario analysis also reinforced the long-term case for the Commissioners' real assets holdings in timberland which are expected to perform very well in a 2 degrees scenario and to be one of the most resilient asset classes in a 3 degrees scenario.</p>

No

SG 13.7 CC	Indicate whether a range of climate scenarios is used.
------------	--

- Yes, including analysis based on a 2°C or lower scenario
- Yes, not including analysis based on a 2°C or lower scenario
- No, a range is not used

SG 13.8 CC	Indicate the climate scenarios the organisation uses.
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Provider	Scenario used
IEA	<input checked="" type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)
IEA	
IEA	<input checked="" type="checkbox"/> Sustainable Development Scenario (SDS)
IEA	<input checked="" type="checkbox"/> New Policy Scenario (NPS)
IEA	
IRENA	

Greenpeace		
Institute for Sustainable Development		
Bloomberg		
IPCC		
IPCC		
IPCC		
IPCC		
Other		
Other		
Other		

SG 14	Mandatory to Report, Voluntary to Disclose	Additional Assessed	PRI 1
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SG 14.1 Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

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

SG 14.2 Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

Total AUM
344,600,000 GBP
441,430,068 USD

Specify the framework or taxonomy used.

We use the taxonomy of the low carbon investment registry created by the Global Investor Coalition on Climate Change (a green bond methodology).
The low carbon investments figure is at end 2018.

- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify

other description

We have established the Transition Pathway Initiative to track companies' alignment with the transition to a low carbon economy.

- None of the above

SG 14.3 Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics

Other, specify

other description

We actively engage with investee companies in high carbon sectors on climate change including filing shareholder resolutions.

None of the above

SG 14.4 If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.

We use Trucost data to monitor relative carbon intensity in our listed equities portfolio. We use Transition Pathway Initiative analysis to monitor companies' alignment with the transition to a low carbon economy.

SG 14.5 Additional information [Optional]

We have significant holdings in real assets - rural land and forestry - as well as energy infrastructure investments which play to resource scarcity themes.

SG 14 CC Voluntary General

SG 14.6 CC Please provide further details on these key metric(s) used to assess climate related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Carbon intensity	Minority of assets	Understanding carbon footprint of listed equities portfolio relative to benchmark, understanding carbon footprint trends, gaining insight into carbon risk exposure, facilitating management of carbon risk, manager monitoring and public disclosure	tonnes of carbon dioxide equivalent per £1 million of corporate revenue	Data feed from Trucost into Style Research portfolio analysis system

SG 14.8 CC Indicate whether climate-related risks are integrated into overall risk management and explain the risks management processes for identifying, assessing, and managing climate-related risks.

Process for climate-related risks is integrated into overall risk management

Please describe

Climate change related risks are incorporated into the Commissioners' risk register, which is reviewed at executive level for, and by trustees at, every Assets Committee meeting.

Process for climate-related risks is not integrated into our overall risk management

SG 14.9 CC Indicate whether the organisation undertakes active ownership activities to encourage TCFD adoption.

Yes

Please describe

The Commissioners are strong supporters of Climate Action 100+ and its goal of encouraging all systemically important listed emitters to disclose climate-related risk in line with the TCFD recommendations.

No, we do not engage

SG 15 Mandatory to Report, Voluntary to Disclose Descriptive PRI 1

SG 15.1 Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

Yes

SG 15.2 Indicate the percentage of your total AUM invested in environmental and social themed areas.

9.5%

SG 15.3 Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

Energy efficiency / Clean technology

Asset class invested

- Listed equity
1% of AUM
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Infrastructure
31% of AUM
- Hedge funds

- Forestry
- Farmland
- Cash
- Other (1)
- Other (2)

Brief description and measures of investment

A £34.7m investment in an environmental markets fund invested in companies involved in clean technology and environmental and energy efficiency solutions.

A commitment to a US anaerobic digestion and waste treatment infrastructure fund. NAV of committed capital is £15.1m.

- Renewable energy
- Green buildings
- Sustainable forestry

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Infrastructure
- Hedge funds
- Forestry
88.5% of AUM
- Farmland
- Cash
- Other (1)
- Other (2)

Brief description and measures of investment

The Commissioners have a £295m sustainable forestry portfolio with assets in the UK & US.

- Sustainable agriculture
- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health
- Water
- Other area, specify

Sustainability themed equities mandate

Asset class invested

- Listed equity
13% of AUM
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Infrastructure
- Hedge funds
- Forestry
- Farmland
- Cash
- Other (1)
- Other (2)

Brief description and measures of investment

The Commissioners have a £426.3m equities portfolio managed by a specialist asset manager with a long term investment approach integrating sustainability factors directly into the investment process.

No

SG 16	Mandatory	Descriptive	General
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SG 16.1 Describe how you address ESG issues for internally 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
Farmland	<p>Our internally managed farmland is all in the UK. We employ agents to manage the portfolio within a policy framework set by the Commissioners. Within tenancy agreements it is generally stipulated that tenants must farm the land in accordance with good practice. This will in most cases reflect the principles of good conservation and environmental practice. Many tenants have entered Environmental Stewardship Schemes. Advice is available from our agents for tenants wishing to consider environmentally sensitive farming practices.</p> <p>Estates are visited by our agents at least monthly. They consult with us if any tenants are experiencing difficulties including financial hardship. Animal welfare is taken seriously and any perceived issues are addressed by agents in conjunction with the Commissioners. Quarterly meetings are held with our agents who provide comprehensive management reports. The reports provide regular updates on Health and Safety measures that have been or are being taken on estates.</p> <p>A strategic review of the rural portfolio was carried out in 2014. Flooding risk was a factor in the decision to alter the management outcomes on a number of estates. We have a framework agreement with a developer for solar power generation on the rural estate and 9MW installed capacity.</p>
Cash	Ethical considerations are an intrinsic part of the selection process for the Commissioners' banking services provider.
Other (1) [as defined in Organisational Overview module]	<p>Strategic land</p> <p>Strategic land is rural land in the UK for which the Commissioners seek planning permission for development, typically for housing. Social issues are prominent in strategic land. Issues include community consultation, relations with local councils, communication with strategic land tenants and negotiation of Section 106 agreements, including with regard to affordable housing. It is not the general practice of the Commissioners to promote development if the local authority is not supportive, in the way that some housebuilders might. As long term investors, the Commissioners prefer to work with development plans and wait for land to feature in councils' plans, which the team would then support through the making of representations.</p> <p>The Commissioners make sure that they are always present at community consultation events.</p> <p>There is a strong regulatory framework for environmental issues relevant to housebuilding in the UK, from requirements for environmental impact assessments and assessment of flood risk to building regulations and stipulations for energy performance. Land is assessed for flood risk before the Commissioners acquire it, including taking into account risks posed by climate change.</p>

SG 17	Mandatory	Descriptive	General
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SG 17.1 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		
Fixed income - Securitized	Managers are assessed using our manager ratings system under our Responsible Investment Framework.		
Hedge funds - DDQ	<table border="1" style="width: 100%;"> <tr> <td style="background-color: #0070C0; color: white;">Select whether you use the PRI Hedge Fund DDQ</td> </tr> <tr> <td> <input type="radio"/> Yes <input checked="" type="radio"/> No </td> </tr> </table>	Select whether you use the PRI Hedge Fund DDQ	<input type="radio"/> Yes <input checked="" type="radio"/> No
Select whether you use the PRI Hedge Fund DDQ			
<input type="radio"/> Yes <input checked="" type="radio"/> No			
Hedge funds	All hedge fund investments are subject to our hedge funds policy which requires robust analysis of both strategies and firms for potential ethical and ESG concerns. This analysis is reported to trustees as part of the appointment process. Investments are also subject to our pooled funds policy. Finally managers are assessed using our manager ratings system under our Responsible Investment Framework. We continue to use our hedge funds policy diligence system and RI DDQ rather than the PRI Hedge Fund DDQ because our diligence system is more detailed and tailored to our specific ethical and RI needs.		
Forestry	All our UK and US forestry is sustainably certified to either FSC or SFI standards. The sandalwood plantation in Australia in which we invest is managed in accordance with an ISO 14001 environmental management system.		

SG 18	Voluntary	Descriptive	General
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SG 18.1 Indicate whether any specific features of your approach to responsible investment are particularly innovative.

Yes

SG 18.2 Describe any specific features of your approach to responsible investment that you believe are particularly innovative.

The Commissioners have consistently been involved in innovative RI initiatives and practices:

- The Aiming for A engagement on climate change with the 10 largest UK-listed extractives and utilities companies modelled a new kind of

institutional investor active stewardship involving attendance at AGMs and filing stretching shareholder resolutions. This approach to climate engagement is now embedded into the IIGCC corporate group and Climate Action 100+ both of which we are active participants in.

- The ExxonMobil climate scenario analysis resolution achieved an unprecedented demonstration of investor support for climate risk reporting. The resolution was passed with 62% support at Exxon's 2017 shareholders' meeting - an unparalleled vote at an oil and gas supermajor on a contested ESG resolution.
- The Transition Pathway Initiative is a new, industry leading, assessment framework to track companies' alignment with the transition to a low carbon economy in high carbon sectors, developed and operated in a partnership with the Grantham Institute at the London School of Economics. The tool has been made available for free on the internet for any investor to use.
- The Mining and Faith Reflections Initiative is the result of a group of mining company CEOs reaching out to the Catholic, Anglican and Methodist Churches for an honest and open dialogue about the social licence to operate of their sector. This is a high level and different style of engagement that enables issues to be raised in a forum that contrasts from normal engagement outreach. So far, the initiative has involved high level dialogues with the CEOs at the Vatican and Lambeth Palace. The dialogue is intended to provide a forum for difficult issues to be raised and addressed with companies.
- We have developed a new approach to ethical screening in the alcohol sector which involves excluding companies not on the basis of revenues derived from alcohol but the extent to which companies market and retail alcohol responsibly. This is much more faithful to the Church of England's ethical view of alcohol - we are opposed not to alcohol per se but to corporate complicity in its misuse - and formed the basis of engagement with UK-listed alcohol producers and retailers that led to important policy changes at major companies. We are now extending our assessment and engagement process beyond the UK to take in the world's largest listed global alcohol producers.
- We have developed a detailed policy on ethical investment in hedge funds on a strategy by strategy basis which, from our contacts with other investors, including through PRI, we believe is industry leading.
- We have developed a detailed policy on ethical investment in pooled funds which, from our contacts with other investors, we believe is industry leading.

No

SG 19	Mandatory	Core Assessed	PRI 2, 6
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SG 19.1 Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Selection, Appointment and Monitoring

Do you disclose?

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

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL

Disclosure to public and URL

- 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/or active ownership
- Other

Annually

https://www.churchofengland.org/sites/default/files/2019-03/public_transparency_report_church_commissioners_for_england_2018_final.pdf
<https://www.churchofengland.org/sites/default/files/2018-05/Church%20Commissioners%20Annual%20Report%202017.pdf>

Listed equity - Engagement

Do you disclose?

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

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL

Disclosure to public and URL	
<input checked="" type="checkbox"/>	Details on the overall engagement strategy
<input checked="" type="checkbox"/>	Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals
<input checked="" type="checkbox"/>	Number of engagements undertaken
<input checked="" type="checkbox"/>	Breakdown of engagements by type/topic
<input type="checkbox"/>	Breakdown of engagements by region
<input type="checkbox"/>	An assessment of the current status of the progress achieved and outcomes against defined objectives
<input checked="" type="checkbox"/>	Examples of engagement cases
<input checked="" type="checkbox"/>	Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.)
<input type="checkbox"/>	Details on whether the provided information has been externally assured
<input checked="" type="checkbox"/>	Outcomes that have been achieved from the engagement
<input type="checkbox"/>	Other information
Biannually	
https://www.churchofengland.org/sites/default/files/2019-03/Church%20Commissioners%20for%20England%20-%20Engagement%2C%20Screening%20and%20Voting%20report.pdf	

Listed equity – (Proxy) Voting	
Do you disclose?	
<input type="radio"/>	We do not disclose to either clients/beneficiaries or the public.
<input type="radio"/>	We disclose to clients/beneficiaries only.
<input checked="" type="radio"/>	We disclose to the public
The information disclosed to clients/beneficiaries is the same	
<input checked="" type="radio"/>	Yes
<input type="radio"/>	No
Disclosure to public and URL	
Disclosure to public and URL	
<input type="radio"/>	Disclose all voting decisions
<input checked="" type="radio"/>	Disclose some voting decisions
<input type="radio"/>	Only disclose abstentions and votes against management
Biannually	
https://www.churchofengland.org/sites/default/files/2019-03/Church%20Commissioners%20for%20England%20-%20Engagement%2C%20Screening%20and%20Voting%20report.pdf	

Property	
Do you disclose?	
<input type="radio"/>	We do not disclose to either clients/beneficiaries or the public.
<input type="radio"/>	We disclose to clients/beneficiaries only.
<input checked="" type="radio"/>	We disclose to the public
The information disclosed to clients/beneficiaries is the same	
<input checked="" type="radio"/>	Yes
<input type="radio"/>	No
Disclosure to public and URL	
Disclosure to public and URL	
<input checked="" type="checkbox"/>	ESG information on how you select property investments
<input checked="" type="checkbox"/>	ESG information on how you monitor and manage property investments
<input type="checkbox"/>	Information on your property investments' ESG performance
<input type="checkbox"/>	Other
Annually	



https://www.churchofengland.org/sites/default/files/2019-03/public_transparency_report_church_commissioners_for_england_2018_final.pdf

SAM 01.1 Indicate which of the following ESG incorporation strategies you require your external manager(s) to implement on your behalf for all your listed equity and/or fixed income assets:

Active investment strategies

Active investment strategies	Listed Equity	FI - SSA	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 checked="" type="checkbox"/>
Thematic	<input type="checkbox"/>
Integration	<input type="checkbox"/>
None of the above	<input type="checkbox"/>

SAM 01.2 Additional information. [Optional]

Screening: Almost all of our listed equity and fixed income investments are in screened segregated mandates or screened pooled funds, but not all. Where a manager is unable to provide a screened segregated mandate or a screened pooled fund, we require regular reporting of any indirect exposure to restricted investments and continue to work to achieve a screened solution.

Thematic: In listed equities we have one thematic segregated mandate (a sustainability strategy) and one thematic pooled fund (environmental opportunities).

Integration: we require a minimum standard of ESG incorporation for all asset classes, namely that the manager factors basic ESG risk analysis into their investment process where appropriate, especially in regard to governance.

SAM 02.1 Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
Your organisation's 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"/>	<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"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG reporting requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
No RI information covered in the selection documentation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you select any 'Other' option(s), specify

Our RI DDQ covers RI policy, ESG incorporation, active ownership, climate change, RI reporting and external assurance.

SAM 02.2 Explain how your organisation evaluates the investment manager's ability to align between your investment strategy and their investment approach

Strategy

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
Assess the time horizon of the investment manager's offering vs. your/beneficiaries' requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<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"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the investment approach and how ESG objectives are implemented in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's firm-level vs. product-level approach to RI	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the ESG definitions to be used	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ESG people/oversight

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
Assess ESG expertise of investment teams	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the oversight and responsibilities of ESG implementation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review how is ESG implementation enforced /ensured	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's RI-promotion efforts and engagement with the industry	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Process/portfolio construction/investment valuation

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
Review the process for ensuring the quality of the ESG data used	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree the use of ESG data in the investment decision making process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree the impact of ESG analysis on investment decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree ESG objectives (e.g. risk reduction, return seeking, real-world impact)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree manager's ESG risk framework	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree ESG risk limits at the portfolio level (portfolio construction) and other ESG objectives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review how ESG materiality is evaluated by the manager	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review process for defining and communicating on ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree ESG reporting frequency and detail	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, specify	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you select any 'Other' option(s), specify

Our RI DDQ and manager RI rating system also cover:

Strategy: governance arrangements for RI policy and practice, RI collaboration, RI innovation, active ownership, public policy engagement, membership/signature of climate change initiatives.

ESG people/oversight: RI in remuneration, whether the portfolio carbon footprint is measured and monitored.

Process/portfolio construction/investment valuation: incorporation of climate change risks and opportunities, whether the ESG characteristics of the portfolio are compared to a benchmark.

SAM 02.3 Indicate the selection process and its ESG/RI components

- Review ESG/RI responses to RfP, RfI, DDQ etc.
- Review responses to PRI's Limited Partners' Responsible Investment Due Diligence Questionnaire (LP DDQ)
- Review publicly available information on ESG/RI
- Review assurance process on ESG/RI data and processes
- Review PRI Transparency Reports
- Request and discuss PRI Assessment Reports
- Meetings with the potential shortlisted managers covering ESG/RI themes
- Site visits to potential managers offices
- Other, specify

SAM 02.4 When selecting external managers does your organisation set any of the following:

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
ESG performance development targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ESG score	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG weight	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Real world economy targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other RI considerations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you select any 'Other' option(s), specify

Managers must be able to implement our investment restrictions (direct investments) or comply with our pooled funds policy, including monitoring and reporting of restricted exposures (indirect investments).

SAM 02.5 Describe how the ESG information reviewed and discussed affects the selection decision making process.[OPTIONAL]

Manager selection must be approved by trustees. The way in which managers approach ethical and responsible investment is included in all manager selection recommendations submitted to trustees. Trustees regularly pose ethical or RI questions to managers being considered for appointment. We do not make investment decisions based on a scoring or weighting system for any factor, including responsible investment. The investment team make narrative-based recommendations to trustees setting out the grounds for their recommendation. This covers alignment of interest, investment process and track record, and ethical and responsible investment, including the manager's RI rating under our RI manager rating system. No manager can be put forward without meeting our minimum standards on RI and higher ratings are a positive factor.

SAM 04

Mandatory

Core Assessed

PRI 1

SAM 04.1 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 and/or commitment process

- Sets standard benchmarks or ESG benchmarks
- Defines ESG objectives and/ or ESG related exclusions/restrictions
- Sets incentives and controls linked to the ESG objectives
- Requires reporting on ESG objectives
- Requires the investment manager to adhere to ESG guidelines, regulations, principles or standards
- Other, specify (1)
- Other, specify (2)
- None of the above

SAM 04.2 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
- ESG benchmark, specify
Customised UK benchmark which excludes our ethical restrictions and investment trusts

ESG Objectives

- ESG related strategy, specify
- ESG related investment restrictions, specify
Implementation of our investment restrictions relating to armaments, pornography, tobacco, gambling, alcohol, high interest rate lending, coal, oil sands, and conduct based restrictions.
- ESG integration, specify
Acknowledgement of the Commissioners' ethical and responsible investment policies and signature of PRI
- Engagement, specify
- Voting, specify
Agreement that voting will be conducted by the Church Commissioners but that the manager may contact the Commissioners at any time to discuss votes and have input on financially material decisions.
- Promoting responsible investment
- ESG specific improvements
- Other, specify

Incentives and controls

- Fee based incentive
- Communication and remedy of breaches
- Termination
- No fee/ breach of contract

Reporting requirements	
<input type="radio"/> Monthly <input checked="" type="radio"/> Quarterly <input type="radio"/> Bi-annually <input type="radio"/> Annually <input type="radio"/> Ad-hoc/when requested	
<input checked="" type="checkbox"/> Fixed income - SSA (SSA)	
Benchmark	
<input checked="" type="checkbox"/> Standard benchmark, specify Unconstrained <input type="checkbox"/> ESG benchmark, specify	
ESG Objectives	
<input type="checkbox"/> ESG related strategy, specify <input checked="" type="checkbox"/> ESG related investment restrictions, specify Implementation of our investment restrictions relating to sovereign debt of oppressive regimes or reporting on indirect exposure to it. <input type="checkbox"/> ESG integration, specify <input type="checkbox"/> Engagement, specify <input type="checkbox"/> Voting, specify <input type="checkbox"/> Promoting responsible investment <input type="checkbox"/> ESG specific improvements <input type="checkbox"/> Other, specify	
Incentives and controls	
<input type="checkbox"/> Fee based incentive <input type="checkbox"/> Communication and remedy of breaches <input type="checkbox"/> Termination <input checked="" type="checkbox"/> No fee/ breach of contract	
Reporting requirements	
<input type="radio"/> Ad-hoc/when requested <input type="radio"/> Annually <input type="radio"/> Bi-annually <input checked="" type="radio"/> Quarterly <input type="radio"/> Monthly	
<input checked="" type="checkbox"/> Fixed income - Corporate (non-financial)	
Benchmark	
<input checked="" type="checkbox"/> Standard benchmark, specify Barclays Global High Yield <input type="checkbox"/> ESG benchmark, specify	
ESG Objectives	
<input type="checkbox"/> Other, specify <input type="checkbox"/> ESG related strategy, specify <input checked="" type="checkbox"/> ESG related investment restrictions, specify Implementation of our investment restrictions, or side letter excuse provisions relating to armaments, pornography, tobacco, gambling, alcohol, high interest rate lending, coal, oil sands and conduct based restrictions, or reporting on indirect exposures. <input checked="" type="checkbox"/> ESG integration, specify Acknowledgement of the Commissioners' ethical and responsible investment policies and signature of PRI <input type="checkbox"/> Engagement, specify <input type="checkbox"/> Voting, specify <input type="checkbox"/> Promoting responsible investment <input type="checkbox"/> ESG specific improvements <input type="checkbox"/> Other, specify	
Incentives and controls	
<input type="checkbox"/> Fee based incentive	

- Communication and remedy of breaches
- Termination
- No fee/ breach of contract

Reporting requirements

- Ad-hoc/when requested
- Annually
- Bi-annually
- Quarterly
- Monthly

- Private equity

Benchmark

- Standard benchmark, specify
N/A
- ESG benchmark, specify

ESG Objectives

- ESG related strategy, specify
- ESG related investment restrictions, specify
Side letter excuse provisions relating to armaments, pornography, tobacco, gambling, alcohol, high interest rate lending, coal and oil sands, or provision to be able to sell entire holding in an instance of unacceptable restricted exposure, or regular reporting on indirect exposures.
- ESG integration, specify
Acknowledgement of the Commissioners' ethical and responsible investment policies and signature of PRI
- Engagement, specify
- Voting, specify
- Promoting responsible investment
- ESG specific improvements
- Other, specify

Incentives and controls

- Fee based incentive
- Communication and remedy of breaches
- Termination
- No fee/ breach of contract

Reporting requirements

- Ad-hoc/when requested
- Annually
- Bi-annually
- Quarterly
- Monthly

- Property

Benchmark

- Standard benchmark, specify
N/A
- ESG benchmark, specify

ESG Objectives

- ESG related strategy, specify
- ESG related investment restrictions, specify
Side letter excuse provisions relating to armaments, pornography, tobacco, gambling, alcohol, high interest rate lending, coal and oil sands, or regular reporting of restricted exposure.
- ESG integration, specify
Acknowledgement of the Commissioners' ethical and responsible investment policies and signature of PRI
- Engagement, specify
- Voting, specify
- Promoting responsible investment

- ESG specific improvements
- Other, specify

Incentives and controls

- Fee based incentive
- Communication and remedy of breaches
- Termination
- No fee/ breach of contract

Reporting requirements

- Monthly
- Quarterly
- Bi-annually
- Annually
- Ad-hoc/when requested

- Infrastructure

Benchmark

- Standard benchmark, specify
N/A
- ESG benchmark, specify

ESG Objectives

- ESG related strategy, specify
- ESG related investment restrictions, specify
Side letter excuse provisions relating to armaments, pornography, tobacco, gambling, alcohol, high interest rate lending, coal and oil sands, or regular reporting of restricted exposure (particular focus on coal and oil sands restrictions)
- ESG integration, specify
Acknowledgement of the Commissioners' ethical and responsible investment policies and signature of PRI
- Engagement, specify
Monitoring and management of ESG issues during operation of infrastructure.
- Voting, specify
- Promoting responsible investment
- ESG specific improvements
- Other, specify

Incentives and controls

- Fee based incentive
- Communication and remedy of breaches
- Termination
- No fee/ breach of contract

Reporting requirements

- Ad-hoc/when requested
- Annually
- Bi-annually
- Quarterly
- Monthly

SAM 04.3

Indicate 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
- Place investment manager on a "watch list"
- Track and investigate reason for non-compliance
- Re-negotiate fees
- Failing all actions, terminate contract with the manager
- Other, specify

Managers are required to reimburse any losses incurred by us following any failure to implement agreed ethical restrictions.

- No actions are taken if any of the ESG requirements are not met

SAM 04.4

Provide additional information relevant to your organisation's appointment processes of external managers. [OPTIONAL]

Engagement on ESG issues and reporting on ESG issues are typically covered in and encouraged/rewarded by our RI ratings system rather than being

included in legal documentation.

SAM 05	Mandatory	Core Assessed	PRI 1
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SAM 05.1 When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
ESG objectives linked to investment strategy (with examples)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Evidence on how the ESG incorporation strategy(ies) affected the investment decisions and financial / ESG performance of the portfolio/fund	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Compliance with investment restrictions and any controversial investment decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG portfolio characteristics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How ESG materiality has been evaluated by the manager in the monitored period	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Information on any ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Metrics on the real economy influence of the investments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PRI Transparency Reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
PRI Assessment Reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
RI-promotion and engagement with the industry to enhance RI implementation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Changes to the oversight and responsibilities of ESG implementation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other general RI considerations in investment management agreements; specify	<input type="checkbox"/>	<input type="checkbox"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>

SAM 05.2 When monitoring external managers, does your organisation set any of the following to measure compliance/progress

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
ESG score	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG weight	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG performance minimum threshold	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Real world economy targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other RI considerations	<input type="checkbox"/>	<input type="checkbox"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>

SAM 05.3 Provide additional information relevant to your organisation's monitoring processes of external managers. [OPTIONAL]

Our approach is that managers' RI practice and ratings should be reviewed at least every two years. Monitoring and discussion of RI practice at our key managers, however, is done on an ongoing basis.

SAM 08	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
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Private

SAM 09	Mandatory	Additional Assessed	PRI 1,6
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SAM 09.1 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	Incorporation of climate change considerations into investment decisions.
Conducted by	Internal staff
Asset class	Listed Equity
Scope and process	This manager is focused on utilities. During manager selection, we sought increased assurance that the manager would incorporate climate change considerations into investment decisions, particularly with regard to electricity utilities.

Outcomes	At our request, the manager became a supporter of the Transition Pathway Initiative, which assesses the management quality of electricity utilities on climate change their future carbon performance. The manager also agreed to provide regular carbon footprint reporting, which it has started to provide, and which indicates a declining carbon footprint trend.
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Add Example 2

Topic or issue	Incorporation of ESG and climate change considerations into investment decisions.
Conducted by	Internal staff
Asset class	Infrastructure
Scope and process	This manager is focused on infrastructure supporting energy production and distribution. During manager appointment, we sought increased assurance that the manager would incorporate ESG and climate change considerations into investment decisions.
Outcomes	Strong ESG provisions were incorporated into our side letter, as well as the requirements of our Energy Infrastructure Investment Framework, which addresses how we expect our energy infrastructure infrastructure investments to align with the transition to a low carbon economy. The manager has provided its first detailed annual ESG report and sought feedback, which we have provided.

Add Example 3

Topic or issue	Incorporating investment exclusions.
Conducted by	Internal staff
Asset class	Listed Equity
Scope and process	This is a leading global asset manager on a positive trend on Responsible Investment. Our investment is in a long/short equity pooled fund. During manager monitoring we have consistently asked for a solution to be found so that our investment exclusions were respected. We made clear that this was a requirement, not a nice to have.
Outcomes	In 2018, the manager agreed to create a new version of the strategy in which we were invested incorporating our investment exclusion categories. This SRI share class would be made generally available to other investors as well as the Church Commissioners.

Add Example 4

Topic or issue	Engagement with Responsible Investment.
Conducted by	Internal staff
Asset class	All asset classes
Scope and process	This manager is a leading global hedge fund manager. During manager monitoring we have consistently encouraged the manager to deepen their engagement with Responsible Investment and to consider further the materiality of ESG issues for their investment strategy across the range of asset classes they invest in.
Outcomes	The manager reported significant developments in its engagement with Responsible Investment in 2018, including the establishment of a cross-departmental working group on Responsible Investment and consideration of impact investment, and whether there might be a role for the manager in offering positive impact strategies.

Add Example 5

Topic or issue	Incorporation of ESG and engagement with Responsible Investment.
Conducted by	Internal staff
Asset class	Listed Equity
Scope and process	This manager is a leading global defensive equity manager. During manager monitoring we have consistently encouraged the manager to consider further the materiality of ESG issues for their investment strategy and to deepen their engagement with Responsible Investment. The manager has already established, at our request, a SRI share class of the strategy in which we are invested which incorporates all our investment exclusions. Another asset owner has joined us as an investor in the strategy so that its investment exclusions are also respected.
Outcomes	In 2018 the manager trialled third party ESG data as part of its exploration of the potential materiality of ESG factors for its strategy. In addition, at our request, the manager participated in a PRI strategy group on ESG in long/short equity strategies as part of the PRI hedge funds work stream. This manager was one of a number of our managers with sophisticated investment strategies under consideration by the PRI hedge funds work stream that participated in strategy groups at our request, even though they were not PRI signatories.

Add Example 6



- Add Example 7
- We are not able to provide examples

LEA 01.1 Indicate whether your organisation has an active ownership policy.

Yes

LEA 01.2 Attach or provide a URL to your active ownership policy.

Attachment provided:

URL provided:

<https://www.churchofengland.org/sites/default/files/2019-03/Church%20Commissioners%20for%20England%20-%20Stewardship%20Code%20Statement%20.pdf>

LEA 01.3 Indicate what your active engagement policy covers:

General approach to active ownership

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

Engagement

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

(Proxy) voting approach

Voting

- ESG issues
- Prioritisation and scope of voting activities
- Methods of voting
- Transparency of voting activities
- Regional voting practice approaches
- Filing or co-filing resolutions
- Company dialogue pre/post-vote
- Decision-making processes
- Securities lending processes
- Other specify;

Other

None of the above

No

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

Yes

No

LEA 01.6 Additional information [optional]

The Church Commissioners' approach to active ownership is covered in a number of policy documents. The link we have given is to the Commissioners' UK Stewardship Code Statement but we also cover active ownership in our Statement of Ethical Investment Policy (<https://www.churchofengland.org/sites/default/files/2019-01/Statement%20of%20Ethical%20Investment%20Policy%20-%20October%202018%5B1%5D.pdf>), Business & Engagement Policy (<https://www.churchofengland.org/sites/default/files/2018-03/Business%20and%20Engagement%202017.pdf>), Responsible Investment Framework (<https://www.churchofengland.org/sites/default/files/2017-11/Responsible%20Investment%20Framework.pdf>) and Voting Guidelines (<https://churchinvestorsgroup.org.uk/church-investors-announce-tougher-line-on-agm-voting-policy/>).

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

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

LEA 02.4 Additional information. [Optional]

We have resourced a dedicated in-house engagement function that undertakes engagement via individual engagements and lead or supporting roles in collaborative engagements.

LEA 03 **Mandatory** **Core Assessed** **PRI 2**

LEA 03.1 Indicate whether your organisation has a formal process for identifying and prioritising engagements.

✓ Yes

LEA 03.2 Indicate the criteria used to identify and prioritise engagements for each type of engagement.

Type of engagement	Criteria used to identify/prioritise engagements
Individual / Internal engagements	<p>Internal / Individual engagements</p> <input checked="" type="checkbox"/> Geography / market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input checked="" type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input checked="" type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not outline engagement criteria for our individual engagements.
	<p>Collaborative engagements</p> <input type="checkbox"/> Potential to enhance knowledge of ESG issues from other investors <input checked="" type="checkbox"/> Ability to have greater impact on ESG issues <input checked="" type="checkbox"/> Ability to add value to the collaboration <input checked="" type="checkbox"/> Geography/market of the companies targeted by the collaboration <input checked="" type="checkbox"/> Materiality of ESG factors addressed by the collaboration <input checked="" type="checkbox"/> Exposure (size of holdings) to companies targeted by the collaboration <input checked="" type="checkbox"/> Responses to ESG impacts addressed by the collaboration that have already occurred <input checked="" type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Follow-up from a voting decision <input checked="" type="checkbox"/> Alleviate the resource burden of engagement <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not outline engagement criteria for our collaborative engagements.

No

LEA 03.3 Additional information. [Optional]

The main determinant of our engagement priorities is our ethical investment policies. These policies are adopted by the Church of England National Investing Bodies (NIBs) following advice from the Church of England Ethical Investment Advisory Group (EIAG). Many of our policies require engagement as a key element of implementation including in particular our alcohol, climate change, corporate tax and extractive industries policies.

We also take account of the views, concerns and priorities of beneficiaries and stakeholders, particularly as represented in the Church of England General Synod.

The Church Commissioners' Assets Committee agrees an annual engagement plan every year based on advice from the Commissioners' Responsible Investment team which takes into account the factors indicated above.

We take care to align voting and engagement and to engage with priority companies when we vote against management.

We are strong believers in the power of collaborative engagement particularly on issues where we are seeking a meaningful shift in companies' approach (especially climate change) or engaging to represent ecumenically shared church values.

We recognise the need to retain flexibility in our allocation of engagement resource as issues arise in the course of the year.

LEA 04 Mandatory Core Assessed PRI 2

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

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

LEA 04.2 Additional information. [Optional]

All of the Commissioners' engagement programmes have clear purposes agreed with trustees and we maintain a database and monitoring system to track engagement progress.

When engaging on Church-specific programmes we establish our own engagement frameworks. For example, for our alcohol engagement programme we have established minimum standards of responsible practice for alcohol marketing and retailing that we require companies to pass if they are to be investable.

In collaborative engagements, we work to common agreed frameworks and objectives, for example those of the PRI corporate tax programme or Climate Action 100+.

We also incorporate commonly accepted standards into our engagement programmes and objectives, for example those of the Hampton Alexander Review into our voting and engagement on gender diversity on the boards of UK companies.

On climate change, we have put considerable resource into developing a new framework to support objectively measured engagement. The Transition Pathway Initiative (TPI) was developed by the Church of England National Investing Bodies in partnership with the Environment Agency Pension Fund, Grantham Research Institute at the London School of Economics, FTSE Russell and a coalition of other asset owners. TPI assesses companies' alignment with the transition to a low carbon economy, looking at both their quality of management of climate change issues and their projected future carbon emissions, plotted against the emissions reductions required by the Paris Agreement. The assessments are publicly available, free of charge, on the TPI website. In 2018 TPI became one of the official benchmarking partners of Climate Action 100+. The Church Commissioners use TPI to set clear performance standards for companies on climate change that form our engagement objectives.

LEA 05 Mandatory Core Assessed PRI 2

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

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

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

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

LEA 05.3 Additional information [Optional]

In individual engagements we monitor and review engagement progress against the framework and objectives we have set - either ourselves or working with an external research provider like the Transition Pathway Initiative. In the case of our alcohol engagement programme, we commissioned an external research provider, VigeoEIRIS to research companies' performance against our standards.

In collaborative engagements we expect the programme organisers to have a system for engagement monitoring and review. We will actively participate in the process for establishing the framework for this, ensuring the programme has a clear focus and is aligned with our requirements. As with our own engagement programmes, we like collaborative programmes that we participate in to be subject to evaluation against external data. For example the PRI corporate tax engagement programme in which we participate is supported by research by independent consultants.

LEA 06 Mandatory Additional Assessed PRI 2,4

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

Yes

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

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

No

LEA 06.3 Additional information. [Optional]

We believe that escalation techniques are an essential part of effective engagement. Use of voting to escalate engagement on climate change is built into our voting template, where we vote against Chairs of companies whose TPI assessments do not meet the standards we require, similarly on board diversity where we vote against Chairs of Nomination Committees, or, in the worst cases, all members of Nomination Committees, when our standards are not met.

In our climate engagement we have pioneered many successful engagement escalation techniques - institutional investor statements and questions at AGMs, institutional quality shareholder resolutions, pre-declaration of voting support for shareholder resolutions by supportive investors, and use of press releases and media comment at appropriate stages of the engagement process. To maximise investor pressure we have helped assemble huge shareholder coalitions; in 2107 over 50 investors with over \$5 trillion in assets co-filed the New York State/Church Commissioners shareholder proposal at Exxon on 2 degree scenario analysis. The resolution passed, and Exxon now publishes an annual climate report that includes 2 degree scenario analysis.

If a company is not responding adequately to engagement, we will inform our trustees and may make a recommendation that the company should be divested and put on our restricted list. We have done this a number of times in recent years (e.g. News Corporation, SOCO International, Vale and Vedanta Resources).

LEA 07 Voluntary Additional Assessed PRI 1,2

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

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

LEA 07.2	Indicate the practices used to ensure information and insights collected through engagements are shared with investment decision-makers.
<input checked="" type="checkbox"/> Involving investment decision-makers when developing engagement programme <input checked="" type="checkbox"/> Holding investment team meetings and/or presentations <input type="checkbox"/> Using IT platforms/systems that enable data sharing <input type="checkbox"/> Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels <input type="checkbox"/> Other; specify <input type="checkbox"/> None	

LEA 07.3	Indicate whether insights gained from your organisation's engagements are shared with your clients/beneficiaries.						
<table border="1"> <thead> <tr> <th>Type of engagement</th> <th>Insights shared</th> </tr> </thead> <tbody> <tr> <td>Individual/Internal staff engagements</td> <td> <input checked="" type="checkbox"/> Yes, systematically <input type="checkbox"/> Yes, occasionally <input type="checkbox"/> No </td> </tr> <tr> <td>Collaborative engagements</td> <td> <input checked="" type="checkbox"/> Yes, systematically <input type="checkbox"/> Yes, occasionally <input type="checkbox"/> No </td> </tr> </tbody> </table>		Type of engagement	Insights shared	Individual/Internal staff engagements	<input checked="" type="checkbox"/> Yes, systematically <input type="checkbox"/> Yes, occasionally <input type="checkbox"/> No	Collaborative engagements	<input checked="" type="checkbox"/> Yes, systematically <input type="checkbox"/> Yes, occasionally <input type="checkbox"/> No
Type of engagement	Insights shared						
Individual/Internal staff engagements	<input checked="" type="checkbox"/> Yes, systematically <input type="checkbox"/> Yes, occasionally <input type="checkbox"/> No						
Collaborative engagements	<input checked="" type="checkbox"/> Yes, systematically <input type="checkbox"/> Yes, occasionally <input type="checkbox"/> No						

LEA 07.4	Additional information. [Optional]
<p>We keep our listed equities team and CIO informed of our engagement programmes, key engagements, and engagement difficulties or problems. We regularly liaise with our listed equity investment managers about our programmes and engagements with individual companies.</p> <p>In an outsourced investment model, however, insights from our engagements are not systematically shared with our investment managers. We are normally engaging in order to implement our ethical investment policies rather than pursuing concerns about financial materiality, although there is often good alignment between the two.</p> <p>When we are engaging intensively with an individual company about which we have a deep and urgent concern, we seek input from managers holding the stock and share our insights with them. We are also keen to understand their view of the company and how they arrived at it and any contrasts with our own assessment. We regularly liaise with the manager of our UK passive mandate to compare notes on engagements and share insights.</p> <p>We actively participate in investor conferences and forums such as PRI in Person, RI Europe, the UK RI Roundtable and the Church Investors Group to share our experience of engagement. We view this as an important way that we can share our insights much more broadly.</p> <p>On climate change we have been regularly sharing Transition Pathway Initiative assessments with our managers and seeking their feedback and insight on companies' action on climate change.</p> <p>We systematically report our engagement and voting activity to trustees and publicly every six months in our engagement, screening and voting reports posted on our website.</p>	

LEA 08	Mandatory	Gateway	PRI 2
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LEA 08.1	Indicate if you track the number of your engagement activities.						
<table border="1"> <thead> <tr> <th>Type of engagement</th> <th>Tracking engagements</th> </tr> </thead> <tbody> <tr> <td>Individual / Internal staff engagements</td> <td> <input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track </td> </tr> <tr> <td>Collaborative engagements</td> <td> <input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track </td> </tr> </tbody> </table>		Type of engagement	Tracking engagements	Individual / Internal staff engagements	<input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track	Collaborative engagements	<input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track
Type of engagement	Tracking engagements						
Individual / Internal staff engagements	<input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track						
Collaborative engagements	<input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track						

LEA 08.2	Additional information. [OPTIONAL]
We have developed an in-house engagement tracking database.	

LEA 09	Mandatory to Report, Voluntary to Disclose	Core Assessed	PRI 2
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Private

LEA 10	Voluntary	Additional Assessed	PRI 2
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Private

LEA 11	Voluntary	Descriptive	PRI 2
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Private

LEA 12	Mandatory	Descriptive	PRI 2
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LEA 12.1	Indicate how you typically make your (proxy) voting decisions.
	Approach

- We use our own research or voting team and make voting decisions without the use of service providers.
- We hire service provider(s) who make voting recommendations and/or provide research that we use to guide our voting decisions.

Based on
<input type="radio"/> the service provider voting policy we sign off on <input checked="" type="radio"/> our own voting policy <input type="radio"/> our clients' requests or policies <input type="radio"/> other, explain

- We hire service provider(s) who make voting decisions on our behalf, except for some pre-defined scenarios where we review and make voting decisions.
- We hire service provider(s) who make voting decisions on our behalf.

LEA 12.2	Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made.
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The Church Commissioners operate a bespoke Church Investors' Group voting policy agreed by the Church Commissioners, Church of England Pensions Board, CBF Church of England Funds and Central Finance Board of the Methodist Church.

In agreeing the template each year, the corporate governance teams of the four organisations review the latest official guidance, best practice and emerging thinking on corporate governance, as well as voting policy developments at our proxy advisers. We always seek to ensure that our voting policy is faithful to our ethical investment policies as recommended by the Church of England's Ethical Investment Advisory Group (EIAG) and driving forward our policy objectives on issues including executive remuneration, climate change and corporate tax.

The Commissioners co-fund a corporate governance and proxy voting professional to oversee the implementation of our voting, who is able to recommend to the Commissioners instances where discretion should be applied to cast votes in a different way to that derived from our voting policy e.g. if companies are failing to respond to engagement or have experienced a major ESG incident, or if we disagree with our proxy advisor's assessment and/or recommendation. We have agreed sign-off procedures for the application of discretion.

A voting decision can be elevated up to CEO level on issues of major importance and profile that require the exercise of careful judgement.

LEA 14	Voluntary	Additional Assessed	PRI 2
Private			

LEA 15	Mandatory	Descriptive	PRI 2
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LEA 15.1	Indicate the proportion of votes where you or the service providers acting on your behalf have raised concerns with companies ahead of voting.
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- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- Neither we nor our service provider(s) raise concerns with companies ahead of voting

LEA 15.2	Indicate the reasons for raising your concerns with these companies ahead of voting.
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- Vote(s) for selected markets
- Vote(s) for selected sectors
- Vote(s) relating to certain ESG issues
- Vote(s) on companies exposed to controversy on specific ESG issues
- Vote(s) for significant shareholdings
- On request by clients
- Other

LEA 15.3	Additional information. [Optional]
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We inform all the constituents of the FTSE350 about our voting template ahead of the UK voting season and announce our voting policy annual update through the media. We also respond to any outreach from companies about particular votes.

LEA 16	Mandatory	Core Assessed	PRI 2
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LEA 16.1	Indicate the proportion of votes participated in within the reporting year in which, you and/or the service provider(s) acting on your behalf, have communicated to companies the rationale for abstaining or voting against management recommendations.
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- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

LEA 16.2	Indicate the reasons your organisation would communicate to companies, the rationale for abstaining or voting against management recommendations.
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- Votes for selected markets
- Votes for selected sectors
- Votes relating to certain ESG issues
- Votes on companies exposed to controversy on specific ESG issues
- Votes for significant shareholdings
- On request by clients
- Other

LEA 16.3 In cases where your organisation does communicate the rationale for the abstention or the vote against management recommendations, indicate whether this rationale is made public.

- Yes
- No

LEA 16.4 Additional information. [Optional]

After the voting season we write to companies that are among our top 50 holdings where we have voted against management recommendations and respond to any follow up from the companies contacted.

LEA 17 Mandatory Core Assessed PRI 2

LEA 17.1 For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- We do track or collect this information

Votes cast (to the nearest 1%)
99%

Specify the basis on which this percentage is calculated

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

LEA 17.2 Explain your reason(s) for not voting on certain holdings

- Shares were blocked
- Notice, ballots or materials not received in time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- Client request
- Other

LEA 17.3 Additional information. [Optional]

We seek to vote all of our shares except where this results in share blocking.

LEA 18 Voluntary Additional Assessed PRI 2

LEA 18.1 Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

- Yes, we track this information

LEA 18.2 Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

Voting instructions Breakdown as percentage of votes cast

For (supporting) management recommendations	82%
Against (opposing) management recommendations	16%
Abstentions	2%

- No, we do not track this information

LEA 18.3 In cases where your organisation voted against management recommendations, indicate the percentage of companies you have engaged.

12

LEA 19 Mandatory Core Assessed PRI 2

LEA 19.1	Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.
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- Yes
- No

LEA 19.2	Indicate the escalation strategies used at your organisation following abstentions and/or votes against management.
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- Contacting the company's board
- Contacting the company's senior management
- Issuing a public statement explaining the rationale
- Initiating individual/collaborative engagement
- Directing service providers to engage
- Reducing exposure (holdings) / divestment
- Other

	Specify
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Our voting template for re-election of Remuneration Committee Chairs takes account of whether we have repeatedly voted against management on executive remuneration.

LEA 20	Voluntary	Descriptive	PRI 2
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Private

LEA 21	Voluntary	Descriptive	PRI 2
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Private

PR 01	Mandatory	Core Assessed	PRI 1-6
PR 01.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.		
	<input checked="" type="checkbox"/> Yes		
PR 01.2	Provide a URL or attach the document		
	<input checked="" type="checkbox"/> URL https://www.churchofengland.org/sites/default/files/2017-11/Property%20Investments%20Policy.pdf		
	<input type="checkbox"/> Attach Document		
	<input type="radio"/> 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. [Optional]		
	<p>The Property Investments Policy should be read in conjunction with the Statement of Ethical Investment Policy, which sets out the exclusions applied to the national investing bodies' direct investments, as well as our policies on climate change and the environment which underline the importance we attach to environmental stewardship.</p> <p>Our Responsible Investment Framework applies to all asset classes including property and to internally managed as well as externally managed assets. Under the RI Framework we commit to take account of all material ESG factors in our direct property investment appraisals and to actively manage ESG issues across our direct property estate.</p>		
PR 04	Mandatory	Gateway/Core Assessed	PRI 1
PR 04.1	Indicate if your organisation typically incorporates ESG issues when selecting property investments.		
	<input checked="" type="checkbox"/> Yes		
PR 04.2	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection.		
	<p>New direct property investments are assessed against the Property Investments Policy. The property uses and tenants are assessed for breaches of our ethical investment exclusions. Cases of doubt or uncertain interpretation are discussed with the Head of Responsible Investment to ensure adherence to the Commissioners' ethical policies and may be referred to our trustees.</p> <p>Material environmental and social issues are considered in the due diligence process.</p>		
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.		
	<input checked="" type="checkbox"/> Environmental		
	Energy efficiency		
	Environmental example 1, description		
	Energy Performance Certificate (EPC) ratings		
	Climate change adaptation		
	Environmental example 2, description		
	Resilience to extreme weather events		
	Flooding		
	Environmental example 3, description		
	Proximity to coast, location on flood plain, possibility of heavy rainfall		
	<input checked="" type="checkbox"/> Social		
	Health, safety and wellbeing		
	Socio-economic		
	Other		
	Social example 3, description [OPTIONAL]		
	Exposure of the property to issues of social concern e.g. gambling, sex industry, irresponsible marketing of alcohol, high cost lending.		
	<input checked="" type="checkbox"/> Governance		
	Shareholder structure & rights		
	Other		
	Governance example 2, description		
	Nature of co-investors/tenants		
	Other		
	Governance example 3, description		
	Property management arrangements		
	<input type="radio"/> No		
PR 05	Voluntary	Additional Assessed	PRI 1,3
	Private		
PR 06	Mandatory	Core Assessed	PRI 1

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

PR 06.3	Additional information.
<p>The Commissioners undertook no property buying activity of any significant size during this reporting year on valuation grounds. The only purchasing activity was a small number of residential units on the Hyde Park Estate.</p> <p>The Commissioners' typical practice where serious ESG issues are identified would be to walk away from a potential investment rather than seek a lower price to compensate for the ESG issues.</p>	

PR 07	Mandatory	Core Assessed	PRI 4
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PR 07.1	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
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Yes

PR 07.2	Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.
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Selection process of property managers incorporated ESG issues

	Types of actions
<input checked="" type="checkbox"/> Request explanation of how ESG is effectively integrated, including inquiries about governance and processes <input checked="" type="checkbox"/> Request track records and examples of how the manager implements ESG in their asset and property management <input checked="" type="checkbox"/> Discuss property level out-performance opportunities through greater integration of ESG criteria <input type="checkbox"/> Request explanation of engaging stakeholders on ESG issues <input type="checkbox"/> Other, explain	

	Coverage
<input checked="" type="radio"/> >75% to 100% <input type="radio"/> >50% to 75% <input type="radio"/> <50%	

Contractual requirements when appointing property managers includes ESG issues

	Types of actions
<input checked="" type="checkbox"/> Include clear and detailed expectations for incorporating ESG <input checked="" type="checkbox"/> Require dedicated ESG procedures in all relevant asset and property management phases <input checked="" type="checkbox"/> Clear ESG reporting requirements <input type="checkbox"/> Clear ESG performance targets <input type="checkbox"/> Other, explain	

	Coverage
<input checked="" type="radio"/> >75% to 100% <input type="radio"/> >50% to 75% <input type="radio"/> <50%	

Monitoring of property managers covers ESG responsibilities and implementation

	Types of actions
<input checked="" type="checkbox"/> Performance against quantitative and material environmental / resource targets over specified timeframe. <input checked="" type="checkbox"/> 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%
- <50%

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.

The Commissioners employ a range of property managers that are reviewed on a regular basis but our preference is to build long term relationships with key contractors who understand our approach and share our values. ESG credentials are considered in the tender process (including health & safety, disability non-discrimination, environmental/sustainability policy, quality standards observed, equal opportunities & data protection). These issues are also considered in monitoring of the ongoing relationship during which we have now also started to consider policies and practices to combat modern slavery.

Our agents contribute to the management of a wide array of ESG issues at our directly held properties. Key environmental responsibilities include the sourcing of power for common parts and monitoring of energy use, carbon emissions, water use and waste.

Key social considerations include the payment of the London Living Wage to contractors' staff based at our properties, policies and practice in support of the eradication of modern slavery, health and safety management (including fire safety, a very high priority concern in residential property following the Grenfell Tower disaster in 2017), and monitoring for infringements of the terms of leases.

Quarterly reports are received from our managers. The Commissioners' agents do not have delegated authority and we make decisions on the terms of leases, which in our directly held properties may have a strong social dimension.

PR 08 Mandatory Gateway PRI 2

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

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.

- 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

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

The Commissioners believe that we have an ethical responsibility to manage ESG issues well at our properties. We also believe that active management of property assets including with regard to ESG issues can create investment value.

We very much drive the management of ESG issues at our flagship prime central London residential estate, the Hyde Park Estate. We take pride in our stewardship of the Estate and believe that by doing so we sustain and create value.

An example of this philosophy in action on the Hyde Park Estate is our investment in promoting urban biodiversity. Working with ecologists from organisations such as the RSPB, the Wildlife Trusts and Bug Life, the Commissioners are promoting wildlife through planting for wildlife and installing insect stacks, bee nests, bird and bat boxes, and green roofs (see: <https://www.hydeparkestate.com/#content/page/London's-Green-Estate>). In 2018 we conducted a major renovation at the Estate's Water Gardens which included integrating new planting beds and a rainwater harvesting system.

Other sustainability initiatives on the Estate include supporting sustainable transport through the creation of secure bicycle parking facilities. With regard to energy efficiency and carbon emissions reduction, investment has been made in new communal boilers, LED lighting in common parts and solar powered garden tools. When Assured Shorthold Tenancies became void in 2018, properties were transferred to a green energy supplier, and electricity for common parts is all supplied on a green tariff. Initiatives have been taken to address energy wastage with measures like taking excess radiators out from lobbies. More significant improvements, particularly glazing, will be possible as part of the major refurbishment works that are under consideration.

The Commissioners are also investing in the public realm of the Hyde Park Estate in order to sustain and create value. Investment has been made in new railings, signage, restoring historical features and harmonising architectural detail. In 2018, new railings were installed in Hyde Park Square.

The Commissioners seek to promote diversity in the team managing the Hyde Park Estate, both internally and via agents, and have a higher than average proportion of women in decision-making roles.

Our largest retail asset is managed by our majority investment partner who operate to very high ESG standards that align well with our values and expectations.

In our commercial office portfolio our agents play the leading role in the management of ESG issues under our supervision.

No

PR 09 Mandatory Core Assessed PRI 2,3

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

PR 09.2 Indicate which ESG targets your organisation and/or property managers typically set and monitor

Environmental

Target/KPI	Progress Achieved
The Metrocentre is subject to our partner Intu's group carbon emissions reduction target of a 50% reduction in emissions intensity 2010-2020.	Since 2010 Intu have reduced energy intensity at group level by 58 per cent.
The Metrocentre is subject to our partner Intu's group waste target of 99% of waste diverted from landfill by 2020.	100% per cent of waste has been diverted from landfill at group level.
The Metrocentre is subject to our partner Intu's group recycling target of 75% of waste generated recycled by 2020.	63% of waste generated at group level was recycled in 2017, the latest year for which figures are available.

Social

Target/KPI	Progress Achieved
The Metrocentre is subject to our partner Intu's group long term commitment to support community issues relevant to customers.	In 2017 (the latest year for which figures are available) £1.9m in donations (including facilitated donations) was achieved.

- Governance
- We do not set and/or monitor against targets

PR 09.3 Additional information. [Optional]

The Church Commissioners set a target for 10% green space on the Hyde Park Estate by 2018. This target was exceeded, with 12.5% of the area of the Estate now planted.

PR 10	Voluntary	Descriptive	PRI 2
Private			

PR 11	Mandatory	Core Assessed	PRI 2
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PR 11.1 Indicate the proportion of active property developments and major renovations where ESG issues have been considered.

- >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

PR 11.2 Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.

- 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
- Health and wellbeing of residents
- Construction contractors comply with sustainability guidelines
- Resilient building design and orientation
- Other, specify

PR 11.3 Additional information. [Optional]

The Commissioners comply with UK sustainability regulations for developments and refurbishments and seek to maximise sustainability subject to financial viability and listed buildings requirements. Contractors on the Hyde Park Estate work to a sustainable refurbishment guide established by the Church Commissioners. The use of solar PV tiles in refurbishment was investigated and the Commissioners are planning to install such tiles on the roof of a mews house where refurbishment is required.

PR 12	Mandatory	Core Assessed	PRI 2
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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.

- >90% of occupiers

- 50-90% of occupiers
- 10-50% of occupiers
- <10% 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
- Health and wellbeing of residents
- Offer green leases
- Other, specify
Fire safety

PR 12.3 Additional information. [Optional]

Fire safety, following the Grenfell Tower disaster, remained a very major issue for the Commissioners' residential occupier engagement activity on the Hyde Park Estate in 2018, given we have high numbers of occupiers in high rise blocks. Key issues were reiterating the importance of both keeping communal areas clear of obstacles and maintaining fire resistant front doors. 1192 leaseholders were written to following the Grenfell Tower fire and sent a guide to fire safety. The Commissioners are undertaking a major programme, requiring a high level of occupier engagement, to ensure that occupier-installed front doors that do not meet fire standards are replaced with doors that do meet the required standards. 67% of doors have been surveyed so far.

Quarterly newsletters continue to be sent out to Hyde Park Estate residents which regularly cover ESG issues - issues covered in 2018 included the Water Gardens refurbishment, the Hyde Park Estate 150th anniversary social event, restoration of historic features including railings and balconies, health and safety in common parts by keeping them clear of personal belongings and a new art installation on the estate. All newsletters now include a 'green column', which has included tips on energy efficiency.

In 2018 letters were sent to tenants with a brochure marking the 150th anniversary of the Hyde Park Estate. A letter to long term rental tenants sought feedback about the Estate and the performance of the Commissioners' agents, inviting tenants to one on one coffee meetings with the Commissioners Residential Asset Management team.

Our agents hold quarterly resident surgeries at the larger blocks on the Estate. During 2018 our agents attended an additional 30 meetings with various groups of residents across the Estate regarding matters such as internal common parts redecorations and lift replacement works. Formal consultations are undertaken around development plans and all feedback recorded. Consultation drop-in events are organised and ad hoc meetings are held with individual tenants as required. Regular meetings were established with the newly formed Residents Association at 25 Porchester Place and Coniston Court.

The Metrocentre is managed by Intu Group who engage with retailer tenants on sustainability management.

PR 13	Voluntary	Additional Assessed	PRI 2
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Private

PR 14	Voluntary	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.

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

- 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
Community consultation on proposed residential development.

PR 14.3 Additional information.

In both the residential and commercial portfolios, the Commissioners engage on a regular basis (at least biannually) with residents, tenants associations, retailers and local government representatives and discuss ongoing concerns, including environmental and social issues.

With regard to the Hyde Park Estate, in 2018 multiple meetings were held with the Hyde Park Estate Association, the Hyde Park Square Garden Committee and the Gloucester Square Garden Committee. The Commissioners' Residential Asset Manager attended multiple meetings of the neighbourhood ward panel with the local police. He is also on the steering committee of the new neighbourhood planning forum. The Commissioners also funded and organised a community event on the Hyde Park Estate in the summer to celebrate the 150th anniversary of the Estate. Shopper satisfaction has been monitored previously using a shopper satisfaction survey. Stakeholder consultation feeds into our strategy for the Hyde Park Estate e.g. in our tenant mix strategy for the Connaught Village retail quarter.

In 2018 the Commissioners engaged with Westminster Council about its City Plan for 2019-2040 and through other consultations covering issues including meeting the borough's housing needs, improving provision for pedestrians, de-commissioning car parking spaces in favour of sustainable transport

measures, improving air quality, extending 20 mph zones, combatting anti-social behaviour, maintaining amenity and generally improving urban sustainability. Joint investment has been made in public spaces.

The Metrocentre, managed by Intu Group, conducts wide-ranging community engagement activities. The Metrocentre has its own chaplain who serves retailers and shoppers alike, supported by volunteer part-time chaplains. The Metrocentre hosts charity collections at weekends at main entrance points and a charity barrow for the sale of goods, raffles or charity promotional purposes.

The Metrocentre has developed a travel plan which involves providing travel information to users of the Metrocentre to enable them to make an informed choice of how they travel to the centre. It also involves establishing and developing partnerships with the local authority, transport operators, businesses in the Metrocentre area, and others in promoting sustainable travel.

The Metrocentre has an extensive accessibility programme including an assisted changing facility with track hoist, changing bench with shower and lima lift toilet; a Shopmobility scheme which offers 32 electric scooters and 50 wheelchairs, plus 24 parking bays for members; accompanied shopping for the blind or partially sighted; autism friendly shopping centre guides; and autism alert cards and awareness bands.

PR 15	Voluntary	Additional Assessed	PRI 1,2
<i>Private</i>			
PR 16	Voluntary	Descriptive	PRI 1,3
<i>Private</i>			

CM1 01	Mandatory	Additional Assessed	General		
CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:				
<input type="checkbox"/> Third party assurance over selected responses from this year's PRI Transparency Report <input type="checkbox"/> Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year <input type="checkbox"/> Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year) <input type="checkbox"/> Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year) <input checked="" type="checkbox"/> Internal verification of responses before submission to the PRI (e.g. by the CEO or the board) <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Whole PRI Transparency Report has been internally verified <input type="checkbox"/> Selected data has been internally verified <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above					
CM1 02	Mandatory	Descriptive	General		
CM1 02.1	We undertook third party assurance on last year's PRI Transparency Report				
<input type="radio"/> Whole PRI Transparency Report was assured last year <input type="radio"/> Selected data was assured in last year's PRI Transparency Report <input checked="" type="radio"/> We did not assure last year's PRI Transparency report <input type="radio"/> None of the above, we were in our preparation year and did not report last year.					
CM1 03	Mandatory	Descriptive	General		
CM1 03.1	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:				
<input type="checkbox"/> We adhere to an RI certification or labelling scheme <input type="checkbox"/> 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 <input type="checkbox"/> ESG audit of holdings <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> None of the above					
CM1 04	Mandatory	Descriptive	General		
CM1 04.1	Do you plan to conduct third party assurance of this year's PRI Transparency report?				
<input type="radio"/> Whole PRI Transparency Report will be assured <input type="radio"/> Selected data will be assured <input checked="" type="radio"/> We do not plan to assure this year's PRI Transparency report					
CM1 07	Mandatory	Descriptive	General		
CM1 07.1	Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed				
<input checked="" type="checkbox"/> CEO or other Chief-Level staff <table border="1" style="margin-left: 20px;"> <tr> <td>Sign-off or review of responses</td> </tr> <tr> <td> <input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses </td> </tr> </table> <input type="checkbox"/> The Board <input type="checkbox"/> Investment Committee <input type="checkbox"/> Compliance Function <input checked="" type="checkbox"/> RI/ESG Team <input checked="" type="checkbox"/> Investment Teams <input type="checkbox"/> Legal Department <input type="checkbox"/> Other (specify)				Sign-off or review of responses	<input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses
Sign-off or review of responses					
<input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses					
CM1 07.2	Additional information [OPTIONAL]				
The Head of RI and CIO review and sign off the whole report. Asset class teams review the responses relating to their asset classes.					