



RI TRANSPARENCY REPORT

2018

Frontier Advisors

About this report

This report is an export of the individual Signatory organisation responses to the PRI Service Provider Reporting Framework during the 2018 reporting period. It shows your responses to mandatory indicators, as well as responses to voluntary indicators that your organisation has agreed to make public. You will be able to access the public RI Transparency report of your organisation and that of other signatories on the [PRI website](#).

The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is an **Index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Index

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

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

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

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

Index

Organisational Overview			
Indicator	Short description	Status	Disclosure
OO 01	Basic information	✓	Public
OO 02	Reporting year	✓	Public
OO 03	Signatory category and services	✓	Public
OO 04	Other offerings/business activities	🔒	n/a
OO 05	Breakdown of ESG coverage	✓	Asset mix disclosed in OO 06
OO End		✓	-

Strategy and Governance			
Indicator	Short description	Status	Disclosure
SG 01	Responsible investment policy	✓	Public
SG 02	Publically available policies	✓	Public
SG 03	Norms used to develop policies	✓	Public
SG 04	Policy offerings to clients	✓	Public
SG 05	ESG/RI in business offerings	✓	Public
SG 06	Outsourcing of services	✓	Private
SG 07	Providing training/education	✓	Public
SG 08	Applying, advancing and promoting the PRI principles	✓	Public
SG 09	Actions taken to promote responsible investment	✓	Public
SG 10	Long term trends	✓	Public
SG 11	Interaction with asset owners	✓	Public
SG 12	Aligning approach with investor goals	✓	Public
SG 13	ESG recommendations not aligned with investor goals	✓	Public
SG 14	Seeking feedback from clients	✓	Public
SG 15	Managing conflicts of interest	✓	Public
SG End		✓	-

Advisory and Consultancy

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

Frontier Advisors

Reported Information

Public version

Organisational Overview

PRI disclaimer

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

Basic Information

OO 01

Mandatory

Public

Descriptive

OO 01.1 Select the location of your organisation's headquarters.

Australia

OO 01.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2 - 5
- 6 - 10
- 11 - 50
- >50

OO 01.3 Indicate the regions where you have offices.

- Africa/Middle East
- Asia (excluding Japan & Korea)
- Australasia
- Canada
- Continental Europe
- Japan & Korea
- Nordic
- South America
- UK & Ireland
- US

OO 01.4 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

55

OO 01.5 Additional information.[OPTIONAL]

Frontier Advisors is Australia's leading independent asset consultant. We have been successfully advising Australian institutional investors for over two decades. With some of the nation's leading analysts and advisors in our team, we provide advice to institutional investors across the superannuation, charity, public sector and higher education sectors.

Frontier has four shareholders: AustralianSuper, Cbus, HESTA and FIRST Super. We now have over 50 people working in our team and more than \$309.8 billion in assets under advice.

Frontier provides a truly differentiated proposition for the Australian institutional investment market. To evolve with the changing needs of our client base, we have professionals with extensive specialist experience to focus on in-depth research into key areas such as equities, property, debt and

infrastructure. At the same time, we have continued to develop and harness broad generalist consulting skills. This balance of specialist and generalist skills, combined with exceptional client service skills, delivers a flexible offering for our clients.

Specifically with regard to ESG, we continue to develop our approach, further integrating ESG factors into the advice we provide to clients. We are also continually working to embed the assessment of key ESG risks and opportunities into our investment and manager research and actively engage with the funds management industry on these issues. Managers' approach to ESG forms a significant part of due diligence by each Research Team. We seek to understand if managers are genuine in the incorporation of ESG matters, and ESG incorporation is formally assessed as part of our manager ratings process. We recognise that there is no "one size fits all" approach for ESG with tailored advice provided across the client base, given the diversity in our clients' ESG philosophy and level of specialisation within their internal teams.

Reporting Year

OO 02	Mandatory	Public	Descriptive
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OO 02.1 Indicate the year end date for your reporting year.

31/12/2017

Signatory category and services

OO 03	Mandatory	Public	Gateway
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OO 03.1 Indicate which of the following categories reflect your core offering or main business activity:

- Reporting
- Active Ownership Services
- Advisory and Consultancy
- Research and Data Provision
- Other, specify (1)
- Other, specify(2)

OO 03.2 Indicate any other business activities that your organisation offers. Indicate whether you wish to report on these business areas.

- Reporting
- Active Ownership Services
- Research and Data provision
- Other, specify (3)
- Other, specify (4)
- None of the above

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Strategy and Governance

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Responsible investment policy

SG 01

Mandatory

Public

Gateway

SG 01.1

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

Frontier's ESG Policy sets out the way Frontier approaches Environmental, Social and Governance (ESG) issues, both as an organisation and in our research and advice. Frontier has been working with our clients and the investment management community on these issues since the late 1990's. While our fundamental philosophy remains unchanged, our research approach has been continually evolving as our clients and the funds management industry develop and change the way that they address these issues.

All ideas, managers and investments must justify their place in a portfolio across risk, return and cost dimensions. Risk and opportunities come in various forms and need to be identified, assessed and managed. ESG assessment forms an integral part of our research and advice. ESG risks and opportunities are a specific subset and are worthy of separate review. We believe the identification and management of ESG risks and opportunities can assist investors to achieve their long-term goals.

Research adds value, drives innovation and confirms investment strategies. We use both quantitative tools and qualitative views to inform our research and advice and to add value for our clients. And of course, implementation matters.

SG 01.2

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

Yes

SG 01.3

Indicate the components/types of your internal policy

Policy components/types

- Policy setting out our overall ESG/RI approach
- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- Formalised guidelines on engagement approach
- Formalised guidelines on (proxy) voting approach
- Other, specify (1)
- Other, specify (2)
- None of the above

SG 01.4

Indicate how these are put into practice internally across the organisation.

- Regular employee training on RI/ESG
 - Regular RI/ESG policy awareness building for employees
 - Establishment of policy review committee/team
 - Remuneration linked to achieving ESG objectives
 - Annual performance incentives
 - Other, specify (1)
 - Other, specify (2)
 - Other, specify (3)
 - Other, specify (4)
- No

SG 01.5

Additional information [OPTIONAL]

A summary of the beliefs underpinning our approach are outlined below.

Frontier believes that ESG issues and the management of them can have an impact on investment risk and return. As a result, we believe investment managers should be aware of and, where necessary, take ESG issues into consideration in their investment processes. The degree to which this will be necessary or possible will depend on the asset class and the nature of the investment manager's approach. As a result, each specialist Research Team is responsible for manager-related ESG issues and has developed an approach that is appropriate for them, within the broader framework agreed by the consulting group.

We believe there are particular ESG themes that require attention given they will be potentially significant as drivers of value creation and destruction. With this in mind, we are cognisant of ESG factors that are most likely to have a material impact on the value of clients' portfolios and that are more prevalent across sectors of the economy.

Our client base includes a range of investors including superannuation and non-superannuation funds such as university endowments, charities and other foundations, redundancy trusts, eligible rollover funds and insurance entities. Each of these investors is subject to its own regulatory and fiduciary regime. We recognise that any client may decide to exclude investments in particular companies or industries for reasons that it sees fit.

We believe that our own investment research should consider and explore ESG issues and examine new and existing investment opportunities in light of this. In the past, we have conducted surveys of Australian, international equities and infrastructure managers to establish the state of their understanding of ESG and how this has evolved. We have also undertaken research or written thought pieces on a range of ESG issues.

We note that many ESG issues are being covered in depth by dedicated researchers within broking firms, funds management, third-party providers of research, industry associations and academia. Where we can, we draw on this research but the context and particular relevance of the research needs to be properly considered and we undertake our own analysis into its implications for client portfolios. This is best undertaken as a process of regular and (circular) feedback where we are deploying this research and our own subsequent analysis into discussions with managers, clients and in the construction of our advice in a formal manner.

SG 02**Mandatory****Public****Descriptive****SG 02.1**

Indicate which of your policy documents or statements (if any) are publicly available. Provide the URL and an attachment of the document.

Policy or document name

- Policy setting out your overall ESG/RI approach
- We do not publicly disclose our policy documents

SG 02.2	Additional information. [OPTIONAL]
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We do not disclose our ESG Policy publicly, however the Frontier Investment Policy Statement is available on the Frontier Advisors website, which makes reference to our investment beliefs as they relate to ESG.

Our ESG Policy is available upon request.

SG 03	Mandatory	Public	Descriptive
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SG 03.1	Indicate what standards you have used to develop your organisation’s policies. Tick all that apply.
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- UN Principles for Responsible Investment
- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- UN Sustainable Development Goals
- International Bill of Human Rights
- International Labour Organisation Conventions
- IFC Performance Standards
- United Nations Convention Against Corruption
- OECD Principles of Corporate Governance
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)
 - The Paris Pledge**
- Other, specify (2)
 - Institutional Investor Group on Climate Change**
- Other, specify (3)
- Other, specify (4)
- Other, specify (5)
- None of the above

SG 03.2	Additional information. [OPTIONAL]
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Frontier is a Professional Service Provider signatory to the Principles for Responsible Investors (PRI). For our part, in signing the Principles, Frontier commits to encouraging investment managers and related service providers to further consider ESG issues in the management of monies on behalf of our clients where consistent with their fiduciary responsibilities. Frontier commits to evaluate the effectiveness, and to promote activity that strengthens the effectiveness, of the principles over time.

Frontier is additionally a signatory to The Paris Pledge which means we have committed to play our part in supporting the objectives of the Paris Agreement to limit global temperature rises to less than 2 degrees Celsius.

SG 04.1

Indicate whether you offer standard, off the shelf, policies to clients as part of your product offerings, and/or whether you create tailored versions for individual clients.

	Off the shelf	Tailored
Asset class-specific RI guidelines	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Sector-specific RI guidelines	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Screening/exclusions policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Engagement policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(Proxy) voting policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
RI guidelines set out within the Investment Policy Statement (IPS)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
RI guidelines set out in a freestanding RI policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Multi-year RI implementation project plan	<input type="checkbox"/>	<input type="checkbox"/>
Conflict of interest management policy	<input type="checkbox"/>	<input type="checkbox"/>
Stockbroker allocation policy	<input type="checkbox"/>	<input type="checkbox"/>
Securities lending policy	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify (1)	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify (2)	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify (3)	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

SG 04.2

Briefly describe how you incorporate ESG factors and RI-consideration when advising clients on policies.

Frontier works closely with clients to understand and clarify their ESG investment beliefs and objectives in order to help define matters that are most important for the client and assist with the development of the client's investment philosophy and ESG/RI philosophy.

Frontier draws on its experience as advisers to both superannuation funds and non-superannuation entities and Frontier's Governance, Advice, Risk, Decisions and Strategy team works with many clients to assist them in developing an investment governance philosophy and framework, including an ESG/RI policy.

We formally research and report on ESG matters across all major asset classes on at least an annual basis. Our sector research reports include observations from our sector specialists on ESG developments. These reports also directly translate into our advice to our clients.

Frontier continually works to embed the assessment of key ESG risks and opportunities into our investment and manager research and actively engage with the funds management industry on these issues. We think that the most value we can add is by influencing both our clients and the fund managers to think about ESG issues and to incorporate them into the way they run their own business and their portfolios.

SG 05	Mandatory	Public	Descriptive
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SG 05.1	Briefly describe how you include ESG/RI factors as part of your business offerings.
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Business area

	Advisory and Consultancy
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	How you include ESG/RI factors
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Frontier's ESG Policy outlines how ESG considerations are integrated through each step of our advice to clients, from the development of a client's investment policy and strategic asset allocation (SAA), investment research and manager research.

Investment philosophy/strategic asset allocation - Frontier's first step is to determine the investment beliefs of our clients, which encompasses their beliefs with respect to ESG. A client's investment philosophy is then used as a basis to determine the strategic asset allocation.

Investment research - Frontier's investment research aims to consider and explore ESG issues and examine new and existing investment opportunities. Where we can, we will also draw on external research but the context and particular relevance of the research needs to be properly considered and we undertake our own analysis into its implications for client portfolios.

Manager research - Frontier favours managers that have integrated ESG into their investment philosophy and process. A fund manager's approach to ESG forms a significant part of due diligence completed by each of Frontier's sector-based Research Team, both at the time of initial manager assessment, and as part of an ongoing review.

SG 05.2	Indicate the roles in your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for ESG/RI.
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Roles present in your organisation	Oversight/accountability for RI	Implementation of RI
Board	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Directors	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chief Executive Officer (CEO), Chief Financial Officer (CFO)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other chief-level staff	<input checked="" type="checkbox"/> <div style="background-color: #0070C0; color: white; padding: 2px; display: inline-block;">Please specify</div> Director of Consulting, Director of Research and Director of Investment Strategy	<input type="checkbox"/>
Other heads of department	<input checked="" type="checkbox"/> <div style="background-color: #0070C0; color: white; padding: 2px; display: inline-block;">Please specify</div> Specialist Sector Team Heads	<input type="checkbox"/>
Dedicated ESG/RI staff	<input type="checkbox"/>	<input type="checkbox"/>
Other role, specify (1)	<input type="checkbox"/>	<input checked="" type="checkbox"/> <div style="background-color: #0070C0; color: white; padding: 2px; display: inline-block;">Please specify</div> All investment staff have responsibility for implementation of ESG considerations
Other role, specify (2)	<input type="checkbox"/>	<input type="checkbox"/>
Other role, specify (3)	<input type="checkbox"/>	<input type="checkbox"/>
Other role, specify (4)	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

SG 05.3

Indicate how you ensure ESG/RI expertise for the roles where there are RI oversight/accountability or implementation responsibilities.

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

SG 05.4

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

- Yes
- No

SG 07**Mandatory****Public****Descriptive****SG 07.1**

Indicate whether you provide training/educational services on ESG/RI. Tick all that apply.

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

SG 07.2

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

Frontier has provided board/trustee training to clients on various investment related issues including ESG/RI issues. Workshops are tailored to specific client needs including education, topical issues and assisting in the development of the organisations investment beliefs.

SG 07.3

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

Training sessions have been provided for educational purposes.

SG 08**Mandatory****Public****Descriptive**

SG 08.1

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

In signing the PRI, Frontier commits to encouraging investment managers and related service providers to further consider ESG issues in the management of monies on behalf of our clients where consistent with their fiduciary duties.

Principle 1:

Frontier works with clients to understand and clarify their ESG investment beliefs and objectives. This defines matters that are most important for the client and assists with the development of the client's investment philosophy and strategic asset allocation.

In designing an overall investment strategy the sensitivity to climate change risks are examined along with other risk factors.

We incorporate ESG considerations into our manager selection and manager monitoring process. A fund manager's approach to ESG forms a significant part of our due diligence both at the time of initial manager assessment, and as part of an ongoing review.

Principle 2:

Frontier regularly engages with fund managers to ensure active ownership policies are in place and as part of our regular monitoring of these managers we assess whether their active ownership practises are in line with their stated policies.

Principle 3:

As part of our regular monitoring of managers, we regularly request disclosure by managers with respect to their ESG practices.

Principle 4:

For Frontier clients considering becoming PRI signatories, we have provided details with respect to the requirements of the PRI, as well as outlining the key benefits of becoming a signatory.

Principle 5:

Frontier regularly encourages investment managers and related service providers to further consider ESG issues in the management of monies on behalf of our clients where consistent with their fiduciary duties. One example relates to Frontier collaborating with the Clean Energy Finance Corporation with respect to decarbonisation targets as well as introducing the organisation to some of our clients who are PRI signatories.

Principle 6:

Frontier regularly undertakes and publishes research or written thought pieces across a range of ESG related topics.

SG 08.2

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

Frontier has met with several representatives from the PRI and would welcome the continuation of regular dialogue with the organisation. We also participated in the research paper on asset consultants and again would be happy to assist with any further research as appropriate.

SG 09**Mandatory****Public**

SG 9.1

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

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

SG 9.2

Additional information. [OPTIONAL]

Frontier has also undertaken research or written thought pieces on Governance issues (e.g. Investment Philosophy, Good Investment Decision Making, Does Good Governance Mean Good Performance) and has undertaken research into ESG issues spanning most asset classes. For example, Frontier has authored research papers relating to energy efficiency for commercial property; ESG indices within equities; ESG in debt markets; renewable energy markets; and impact investing.

SG 10**Mandatory****Public****Descriptive****SG 10.1**

Indicate which of the following long-term trends are addressed in your product outputs.

- Changing demographics

SG 10.2

Explain how this long-term trend affects your product outputs.

Frontier has conducted detailed research into the demographics outlook for the globe and the potential impact on the economy, interest rates and investment returns. Our research included analysis of labour force participation, productivity growth, consumption, investment and savings patterns. The output of this research was factored into our long-term outlook for asset classes, which flows through to the advice we provide to clients as part of their investment policy and strategic asset allocation reviews.

- Climate change

SG 10.2

Explain how this long-term trend affects your product outputs.

Frontier has developed a Climate Change Module into Prism, within our proprietary portfolio analytics system. This is part of an ongoing objective to assist clients in considering environmental issues in their portfolio at the strategic asset allocation level. The Climate Change Module specifically aims to better understand the potential impacts of climate change on investment portfolios with regard to the return impacts of different but plausible scenarios. We are in the process of reviewing our climate change modelling to take into account more recent changes in the relative cost profile of renewable energy and updated estimates with respect to the potential physical impacts of climate change. This is also being undertaken to align scenario analysis with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

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

SG 11**Mandatory****Public****SG 11.1**

Indicate whether you interact with asset owner clients.

- Yes, we do

SG 11.2

Indicate the typical frequency and type of interactions with your asset owner clients.

Type of interaction

- Board of trustee meetings

Frequency

- Daily
- Weekly
- Monthly
- Quarterly
- Bi-annually
- Annually
- Ad-hoc basis
- Other, specify
- Investment committee meetings

Frequency

- Daily
 - Weekly
 - Monthly
 - Quarterly
 - Bi-annually
 - Annually
 - Ad-hoc basis
 - Other, specify
- Trustee training workshops

Frequency

- Daily
 - Weekly
 - Monthly
 - Quarterly
 - Bi-annually
 - Annually
 - Ad-hoc basis
 - Other, specify
- Formal regular meetings outside of committee meetings

Frequency

- Daily
 - Weekly
 - Monthly
 - Quarterly
 - Bi-annually
 - Annually
 - Ad-hoc basis
 - Other, specify
- Informal meetings or calls

Frequency

- Daily
- Weekly
- Monthly
- Quarterly
- Bi-annually
- Annually
- Ad-hoc basis
- Other, specify
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- Other, specify (4)
- No, we do not

SG 11.3	Additional information. [OPTIONAL]
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In our meetings with our clients, we provide all areas of investment advice and support, and as required this includes ESG/RI advice and implementation.

SG 12	Mandatory	Public	Descriptive
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SG 12.1	Describe how you align your organisation’s philosophy on and approach to ESG/RI with investor goals.
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- Describe

Frontier’s focus is the provision of investment and related advice and research. This, along with our commitment to independence, defines what we do.

We are dedicated to being innovative and delivering market leading professional services to our clients looking for a long-term competitive edge. We work as a team in partnership with our clients, pioneering creative business and investment solutions, which have regard for ESG/RI given that the identification and management of ESG risks and opportunities can assist investors to achieve their long-term goals.
- This is not relevant for my organisation

SG 13	Mandatory	Public	Descriptive
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SG 13.1

Describe what steps you take, if any, when your ESG recommendations are not in line with investor goals.

 Describe

Frontier recognises there is no "one size fits all" approach for ESG, with there being diversity in the ESG philosophy and level of specialisation of investors. Frontier's first step is to work with clients to understand and clarify their ESG investment beliefs and objectives and advice will be provide with regard to a client's specific requirements and beliefs.

 This is not relevant for my organisation**SG 14****Mandatory****Public****Descriptive****SG 14.1**

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

 Yes**SG 14.2**

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

Frontier has established a Client Relationship Management (CRM) committee, from which members meet with clients on more formal basis to receive feedback on all aspects on our services, which includes and ESG/RI advice provided. Additionally, Frontier client teams frequently meet with internal client staff where regular feedback on our advice and services are regularly provided. Any feedback from our clients is used to improve the advice and services we provide to our client base.

 No**SG 15****Mandatory****Public****Descriptive****SG 15.1**

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

 Yes**SG 15.2**

Describe how you manage potential conflicts of interest.

Frontier's business model and pure focus on investment advice and research means there are no areas where conflicts of interest arise in relation to our advice, related parties and revenue structures, or our own investment products and ideas.

Frontier's Conflict of Interest Policy sets out the framework for monitoring and managing conflicts of interest within the business. This includes procedures for ensuring client sensitive or privileged information is kept confidential within the relevant teams, including the process for quarantining electronic and other information received from, or known about, a client and their activities. Frontier will not act or advise on both sides of a transaction, nor will it advise a client where a promoter is on both sides of a transaction or proposal due to the inability to fairly and transparently verify a market price and the obvious conflict of the third party promoter.

SG 15.3

Describe how you ensure that company employees do not derive any personal gain from the use of information collected during your work process.

Frontier sometimes receives information which, if disclosed, might materially affect the price or value of Financial Products. This is "inside information". The general principle of Frontier's Conflicts of Interests Policy is that employees are prohibited from dealing in any Financial Products in relation to which Frontier holds inside information. Further, employees have an additional specific restriction in relation to their superannuation and pension accounts such that, where the employees' pension fund is also a Frontier client, then switching is only permitted within 30 days of the fund's notification of its annual/six monthly reports except with the prior approval.

No

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Advisory and Consultancy

AC 01

Mandatory

Public

Gateway

AC 01.1 Indicate whether your services include any of the following.

- Custodial services
- Investment policy development
- Strategic asset allocation
- Investment research
- Manager selection and monitoring
- Other, specify (1)
- Other, specify (2)

AC 01.2 Describe how you ensure that your clients understand your service offerings and fee structure.

Frontier enters into a service agreement with each of its clients, which clearly outlines the services to be undertaken, with the agreed fee outlined in the contract. Any out of contract services to be provided will be discussed with the client ahead of the work being completed, with the scope of the work and fees to be charged outlined separately.

AC 03

Mandatory

Public

AC 03.1 Indicate whether you provide fiduciary management services.

- Yes, we do
- No, we do not

Investment policy development

AC 06

Mandatory

Public

Descriptive

AC 06.1 Indicate whether you incorporate ESG into your investment policy development services.

- Yes, we systematically do

AC 06.2

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

- Reviewing clients' existing beliefs, investment strategy and policy in relation to ESG
 - Aligning the investment policy with the client's overall ESG strategy and beliefs
 - Helping clients define ESG investment objectives and incorporating them into policies
 - Considering short-, mid- and long term time horizon of overall ESG objectives outlined in the investment policy
 - Aligning the policy with the relevant ESG/RI regulations and public policies
 - Determining the client's ESG risk-profile and materiality to inform the investment policy
 - Providing education/training and case studies if the client has not publicly committed to an ESG strategy or beliefs, and seek to incorporate ESG in the client's investment policy
 - Researching ESG trends, terminology and current debate to help create an up-to-date investment policy
 - Comparing ESG investment policies of peers in the market
 - Engaging the client organisations' executives, Board and any other stakeholders in the ESG investment policy development
 - Outlining the internal governance structure responsible for overseeing and implementing the investment policy
 - Other, specify (1)
 - Other, specify (2)
 - Other, specify (3)
- Yes, we occasionally do
- No, we do not. Plans exist to start incorporating ESG into our investment policy development services in the next reporting year
- No, we do not

Strategic asset allocation**AC 07****Mandatory****Public****Descriptive****AC 07.1**

Indicate whether you incorporate ESG into your strategic asset allocation process.

- Yes, we systematically do

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

- Incorporating climate change-specific factors into analysis of expected returns and risk levels across asset classes
 - Incorporating other environmental considerations into analysis of long-term expected returns and risk levels across asset classes e.g. biodiversity, water usage, waste and hazardous materials
 - Incorporating social considerations into analysis of long-term expected returns and risk levels across asset classes
 - Incorporating governance considerations into analysis of long-term expected returns and risk levels across asset classes
 - Incorporating ESG when advising on target percentages for allocation in asset classes
 - Aligning the strategic asset allocation with the client's ESG investment policy, ESG investment objectives and ESG risk profile
 - Other, specify(1)
 - Other, specify(2)
 - Other, specify(3)
- Yes, we occasionally do
- No, we do not. Plans exist to start incorporating ESG into our strategic asset allocation services in the next reporting year
- No, we do not

AC 07.4 | Additional information. [OPTIONAL]

Via Frontier's Climate Change Module as previously outlined.

AC 09

Mandatory

Public

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

Frontier undertakes regular performance reporting for many of our clients and for some clients we also undertake a more formal Look Back exercise on an annual basis. This reports incorporates an attribution analysis exercise.

Investment research

AC 10

Mandatory

Public

AC 10.1 | Indicate whether you incorporate ESG into your investment research services.

- Yes, we systematically do

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

Investment research activities

- Asset level research

Describe how you incorporate ESG

Our sector reviews incorporate an analysis of ESG factors that are important to each individual asset class. This may also include research papers that focus on topical ESG issues for asset classes.

- Portfolio level research

Describe how you incorporate ESG

Assessment of the impact of climate change on asset classes and the overall client portfolio strategy.

- Performance monitoring

Describe how you incorporate ESG

We undertake an annual review of each of our client's managers. This incorporates commentary on various ESG issues.

- Mandate design

Describe how you incorporate ESG

Frontier assists clients in the development of mandates, which may incorporate specific ESG requirements.

- Benchmark selection

Describe how you incorporate ESG

For some clients Frontier has assisted in selection of benchmarks, which incorporate ESG factors.

- Equity research

Describe how you incorporate ESG

Our sector reviews for equities incorporate an analysis of ESG factors that are important. This may also include research papers that focus on topical ESG issues for the asset classes. In reviewing managers within equities, Frontier looks to analyse each manager's approach to ESG integration.

- Credit research

Describe how you incorporate ESG

Our sector reviews for credit incorporate an analysis of ESG factors that are important. This may also include research papers that focus on topical ESG issues for the asset classes. In reviewing managers within credit, Frontier looks to analyse each manager's approach to ESG integration.

- Quant research

Describe how you incorporate ESG

Frontier has observed an increase level of activity for ESG integration with quantitative managers.

- Sector research

Describe how you incorporate ESG

Regular ESG sector specific research is conducted.

- Thematic research

Describe how you incorporate ESG

Frontier regularly conducts research on thematic issues that incorporate ESG factors.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above
- Yes, we occasionally do
- No, we do not. Plans exist to start incorporating ESG into our investment research services in the next reporting year
- No, we do not

AC 11	Mandatory	Public	Descriptive
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AC 11.1 Describe how you measure, track or otherwise demonstrate your value on investment research activities.

Regular feedback from clients, as well as more formally as part of our CRM process.

Manager selection and monitoring

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

Manager selection service

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

Manager monitoring service

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

AC 12.3

Additional information. [OPTIONAL]

As part of a manager's initial assessment and ongoing refresh of that assessment, Frontier's Research Teams rate a manager's approach to ESG (one, three or five stars) taking into account the following. Each Research Team considers ESG integration in its assessment of fund managers however, unsurprisingly, given the heterogenous nature of asset classes, the approach varies. The key areas considered across each of the Reserach teams are as follows:

Existence of ESG culture.

Evidence of ESG leadership within organisation, including resourcing to effectively research ESG attributes of researched companies (whether specialist resources are actively utilised or this is addressed via the investment team members).

ESG integration within investment process across all three aspects (i.e. Governance, Environmental and Social factors) where applicable.

Use of ESG data sources or subscription services.

Significance of Governance in fund manager's investment process.

Significance of Environmental and Social factors in fund manager's investment process.

ESG risk consideration at overall portfolio level.

Level of engagement with company management and its outcomes, as well as use of voting rights.

In addition to regular update meeting, Frontier conducts formal annual fund manager reviews, which include clarifying the current status of the manager's ESG approach, as well as noting any changes in the past 12 months.

SELECTION

AC 13

Mandatory

Public

AC 13.1

Indicate what activities you undertake during the process of selecting a manager.

Research and screening

- Conducting ESG due diligence
- Developing guidelines and/or RI priorities for the selection process
- Conducting internal database screening that includes ESG factors
- Conducting external database screening that includes ESG factors
- Qualitative research that includes ESG factors
- Conducting ESG risk analysis
- Other (1), specify
- None of the above

Strategy

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

ESG people/oversight

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

Process/portfolio construction

- Reviewing how ESG materiality is evaluated by managers
- Reviewing the manager's use of ESG information in the investment decision-making process
- Review the impact of ESG analysis on investment decisions by the manager
- Review the manager's ESG risk framework
- Other, specify (1)
- None of the above

Selection process and reviewing documentation

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

AC 13.2

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

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

AC 14	Mandatory	Public	Descriptive
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AC 14.1	Describe how you incorporate asset owners' investment principles into the manager selection process.
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Given that the investment beliefs our clients differ, our advice with respect to manager selection will be tailored accordingly. For instance, clients wishing to exclude particular investments/sectors, we will work with them in identifying the most suitable manager that can apply the relevant exclusion list.

AC 15	Mandatory	Public	Descriptive
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AC 15.1	Briefly describe how you include ESG factors in your due diligence process for manager selection.
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Each Research Team considers ESG integration in its assessment of fund managers however, unsurprisingly, given the heterogeneous nature of asset classes, the approach varies. The key areas considered across each of the Research teams are as follows:

- Existence of ESG culture.
- Evidence of ESG leadership within organisation, including resourcing to effectively research ESG attributes of researched companies (whether specialist resources are actively utilised or this is addressed via the investment team members).
- ESG integration within investment process across all three aspects (i.e. Governance, Environmental and Social factors) where applicable.
- Use of ESG data sources or subscription services.
- Significance of Governance in fund manager's investment process.
- Significance of Environmental and Social factors in fund manager's investment process.
- ESG risk consideration at overall portfolio level.
- Level of engagement with company management and its outcomes, as well as use of voting rights.

AC 16	Mandatory	Public	Descriptive
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AC 16.1	Indicate whether you set any of the following to measure compliance/progress, or use the following information to review and evaluate the investment manager.
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Setting measures for the investment manager as part of the monitoring process

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

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

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

AC 16.2

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

A manager's ESG rating is assessed as part of its initial review and ongoing refresh of that assessment. The details relating to a manager's ESG rating are outlined within our formal rating document, the Manager Assessment Profile Summary (MAPS). We also formally assess a manager's ESG rating as part of our annual monitoring process, where we detail any changes to a manager's ESG policy and approach within the manager's annual review report.

AC 17

Mandatory

Public

Descriptive

AC 17.1

Indicate whether you report back to asset owners on your manager selection and/or monitoring activities.

- Yes, we systematically do

AC 17.2

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

All contact with managers is documented, with clients having access to the meeting notes from the manager meetings. Managers are met with as part of the regular reporting requirements as set out in client contracts and we will also meet more frequently on an as needs basis. As part of the sector annual review process, separate manager reviews are also completed and provided to clients. The ESG ratings of managers are available on Frontier's database, which all clients have access to.

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

AC 18

Mandatory

Public

Descriptive

AC 18.1

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

Frontier measures the performance of our Buy and Neutral Plus managers across the various asset classes. We also monitor the performance of standard mandates relative to those with ESG exclusions.