



AH Marks and Company Limited Retirement Benefits Scheme ("the Scheme")

July 2024

Background and Implementation Statement

Background

The regulatory landscape continues to evolve as ESG becomes increasingly important to regulators and society. The Department for Work and Pensions ('DWP') has increased the focus around ESG policies and stewardship activities by issuing further regulatory guidance relating to voting and engagement policies and activities. These regulatory changes recognise the importance of managing ESG factors as part of a Trustee's fiduciary duty.

Implementation Report

This implementation report is to provide evidence that the Scheme continues to follow and act on the principles outlined in the SIP.

The SIP can be found online at the web address,

[AH Marks SIP 2023.pdf \(pensionpa.co.uk\)](#)

Changes to the SIP are detailed on the following page.

The Implementation Report details:

- actions the Trustee has taken to manage financially material risks and implement the key policies in its SIP.
- the current policy and approach with regards to ESG and the actions taken with managers on managing ESG risks.
- the extent to which the Trustee has followed policies on engagement covering engagement actions with its fund managers and in turn the engagement activity of the fund managers with the companies in the investment mandate.
- voting behaviour covering the reporting year up to 31 December 2023 for and on behalf of the Scheme including the most significant votes cast by the Scheme or on its behalf.

Summary of key actions undertaken over the Scheme's reporting year

- Over the reported period, the Scheme did not make any material changes to its investment strategy.
- During the year, there were some changes implemented at an investment manager level:
 - o A new passive equity allocation has been implemented with L&G
 - o The Liability Driven Investment ("LDI") mandate with Insight has been implemented, targeting an 80% interest rate and inflation hedge on the Scheme's Technical Provisions basis.
- A few changes were made to the Scheme's SIP over the period to 31 December 2023, which are detailed on the following page.
- Following the end of the reporting period, the Trustee undertook a review of the investment strategy to assess the Scheme's position, and agreed to proceed with rebalancing trades to bring the Scheme's asset allocation closer to strategic target. The Trustee are currently reviewing the current hedging position, as well as the future trajectory for the Scheme's Alternatives mandate.

Implementation Statement

This report demonstrates that the AH Marks and Company Limited Retirement Benefits Scheme has adhered to its investment principles and its policies for managing financially material consideration including ESG factors and climate change. We note that some of the manager data was unavailable, but we will work with managers to obtain it for future reports.

Signed

Position

Date

Managing risks and policy actions

The Trustee has included a non-exhaustive list of risks and financially material considerations it has considered whilst implementing the Scheme's investment strategy.

On this page we will look at the risks outlined in the Scheme's SIP, the Trustee's policy and any actions in the accounting year taken to address those risks.

Risk / Policy	Definition	Policy	Actions and details on changes to policy
Interest rates and inflation	The risk of mismatch between the value of the Scheme assets and present value of liabilities from changes in interest rates and inflation expectations.	To hedge 80% of these risks	No action over the period.
Liquidity	Difficulties in raising sufficient cash when required without adversely impacting the fair market value of the investment.	To maintain a sufficient allocation to liquid assets so that there is a prudent buffer to pay members benefits as they fall due (including transfer values), and to provide collateral to the LDI/synthetic equity manager.	The liquidity was restored in June 2023 as part of the new strategic allocation, when the Scheme experienced a material drop in liquidity during the Q4 LDI crisis.
Market	Experiencing losses due to factors that affect the overall performance of the financial markets.	To remain appropriately diversified and hedge away any unrewarded risks, where practicable.	No action over the period.
Credit	Default on payments due as part of a financial security contract.	To appoint investment managers who actively manage this risk by seeking to invest only in debt securities where the yield available sufficiently compensates the Scheme for the risk of default.	No action over the period.
Environmental, Social and Governance	Exposure to Environmental, Social and Governance factors, including but not limited to climate change, which can impact the performance of the Scheme's investments.	To appoint managers who satisfy the following criteria, unless there is a good reason why the manager does not satisfy each criteria: 1. Responsible Investment ('RI') Policy / Framework	Further detail provided later in this report

		<p>2. Implemented via Investment Process</p> <p>3. A track record of using engagement and any voting rights to manage ESG factors</p> <p>4. ESG specific reporting</p> <p>5. UN PRI Signatory</p> <p>6. UK Stewardship Code signatory</p> <p>The Trustees monitor the managers on an ongoing basis.</p>	
Currency	The potential for adverse currency movements to have an impact on the Scheme's investments.	Hedge all currency risk on all assets that deliver a return through contractual income.	No action over the period.

Changes to the SIP

Over the period to 31 December 2023, the Trustees made changes to the SIP to reflect a new liability hedging solution, targeting an 80% interest rate and inflation hedge on the Technical Provision basis. Additional documentation in the form of a collateral waterfall was added to ensure sufficient collateral to support the agreed hedges going forward.

Current ESG policy and approach

ESG as a financially material risk

The SIP describes the Scheme policy with regards to ESG as a financially material risk. The Scheme has agreed a more detailed ESG policy which describes how it monitors and engages with the investment managers regarding the ESG policies. This page details the Scheme's ESG policy. The next page details our view of the managers, our actions for engagement and an evaluation of the engagement activity.

Risk Management	<ol style="list-style-type: none">1. Integrating ESG factors, including climate change risk, represents an opportunity to increase the effectiveness of the overall risk management of the Scheme.2. ESG factors can be financially material and managing these risks forms part of the fiduciary duty of the Trustee.
Approach / Framework	<ol style="list-style-type: none">3. The Trustee should understand how asset managers make ESG decisions and will seek to understand how ESG is integrated by each asset manager.4. ESG factors are relevant to investment decisions in all asset classes.5. Managers investing in companies' debt, as well as equity, have a responsibility to engage with management on ESG factors.
Reporting & Monitoring	<ol style="list-style-type: none">6. Ongoing monitoring and reporting of how asset managers manage ESG factors is important.7. ESG factors are dynamic and continually evolving; therefore, the Trustee will receive training as required to develop their knowledge.8. The role of the Scheme's asset managers is prevalent in integrating ESG factors; the Trustee will, alongside the investment advisor, monitor ESG in relation to the asset managers' investment decisions.
Voting & Engagement	<ol style="list-style-type: none">9. The Trustee will seek to understand each asset managers' approach to voting and engagement when reviewing the asset managers' approach.10. Engaging is more effective in seeking to initiate change than disinvesting.
Collaboration	<ol style="list-style-type: none">11. Asset managers should sign up and comply with common codes and practices such as the UNPRI & Stewardship code. If they do not sign up, they should have a valid reason why.12. Asset managers should engage with other stakeholders and market participants to encourage best practice on various issues such as board structure, remuneration, sustainability, risk management and debtholder rights.

ESG summary and actions with the investment managers

Isio, as the Scheme's investment consultant, engage with all of the Scheme's investment managers on an ongoing basis. ESG and Engagement are specifically covered in both the initial due diligence and ongoing monitoring of funds that Isio actively monitor.

Engagement

As the Scheme invests via pooled funds, the Trustee delegates all engagement responsibilities to the investment managers. The managers provided details on their engagement actions including a summary of the engagements by category for the 12 months to 31 December 2023.

Fund name	Engagement summary	Commentary
Partners Group - Private Markets Credit Strategies 2018 (GBP) S.C.A., SICAV-RAIF	Total Engagements: 5 ESG: 2 Corporate: 3	<p>ESG integration in private credit presents challenges compared to other asset classes. Credit, as opposed to equity, investments provide limited scope to influence management.</p> <p>Partners Group aim to have a seat on the Board of Directors. The representatives work alongside the ESG and Sustainability team to create and implement ESG initiatives at the portfolio companies although there is little evidence of board engagement operating effectively.</p> <p>Examples of significant engagements include:</p> <p>Envision Pharma - PG engaged with the company regarding an IT Infrastructure breach that occurred in the previous year. Sponsor confirmed that new policies and additional protections have now been put in place based on consultation with third party specialist and there was transparent communication with customers, with no customers deciding to churn.</p> <p>Galderma - PG engaged with the company management regarding a trading update. The company performed well above PY as of Q4 (revenue ~+7% and EBITDA ~+14%), which was driven by high single-digit organic growth driven by momentum across all segments.</p>

Voting

Please see attached document from Mobius Life for details on engagement and voting actions including a summary of the activity, covering the 12-month period ending 31 December 2023. The platform provider also provided examples of any significant votes where possible.

The A H Marks & Company Limited Retirement Benefits Scheme - IS0008502

ESG REPORT – 31-Dec-2023



Scheme: The A H Marks & Company Limited Retirement Benefits Scheme - IS0008502

Statement Date: 31-Dec-2023

Fund	Value (£)	% Holding
Insight LDI Enhanced Selection Shorter Nominal Fund	1,573,770.55	5.40%
Insight LDI Enhanced Selection Longer Nominal Fund	2,475,481.74	8.50%
L&G Life GPEN Future World Global Equity Index Fund GBP Hedged	11,091,546.66	38.08%
Insight LDI Enhanced Selection Longer Real Fund	6,440,103.21	22.11%
Insight LDI Enhanced Selection Shorter Real Fund	4,329,027.37	14.86%
Schroder Life Intermediated Diversified Growth Fund	91,261.14	0.31%
Insight Liquidity Fund	3,123,953.48	10.73%

Fund	Fund Manager ESG Credentials	Fund ESG Credentials	
	Data Provided by FM as at	% Qs answered	Data Provided by FM as at
Insight LDI Enhanced Selection Shorter Real Fund	31/12/2023	95	31/12/2023
Insight Liquidity Fund	31/12/2023	95	31/12/2023
Insight LDI Enhanced Selection Longer Nominal Fund	31/12/2023	95	31/12/2023
Insight LDI Enhanced Selection Shorter Nominal Fund	31/12/2023	97	31/12/2023
L&G Life GPEN Future World Global Equity Index Fund GBP Hedged	31/12/2023	75	31/12/2023
Insight LDI Enhanced Selection Longer Real Fund	31/12/2023	95	31/12/2023
Schroder Life Intermediated Diversified Growth Fund	31/12/2023	97	31/12/2023

Disclaimer:

This report has been designed by Mobius Life to support Pension Schemes. Mobius Life understand the information produced in this report may be used as an input for an implementation statement but is not responsible for producing the implementation statement. When compiling this report, Mobius Life has shared all the information provided by the external fund manager. Where a response field is blank this means the question is not applicable or a response was not provided by the fund manager.

Mobius Life accepts no responsibility or liability for the accuracy or content of the data provided by the external fund managers.

Questions	Insight Investment		
<p>Do you have an ESG policy that is integrated into the investment process?</p>	<p>Yes</p> <p>A complete copy of our Responsible Investment Policy can be found by using the following link: https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/responsible-investment-policy.pdf</p>	<p>Are Senior Management accountable for ESG or Climate Change risks?</p>	<p>Yes</p> <p>Insight's Board recognises that delivering effective stewardship includes many different facets of an organisation and, as such, there are multiple reporting lines within Insight that feed directly and indirectly into the Board. Insight has aimed to integrate ESG-related activities into its business-as-usual processes. Establishing key committees such as the IROC (see below for more information) has been one way of achieving this, and progress on ESG issues can also be found in quarterly reports provided to the Board. Other forums such as the Remuneration Committee play a key role in ensuring alignment of interests between Insight staff and underlying investors. The EMC and/or its sub-committees are typically responsible for designing initiatives that contribute towards good stewardship. The CEO, Global CIO and Global Head of Distribution are members of both the Executive Management Committee (EMC) and the Board, and are responsible for updating the Board on responsible investment and stewardship-related issues, including at Board strategy meetings. The Board is therefore kept abreast of key initiatives and will provide challenges to such initiatives, where appropriate. A key objective of the Board is to promote the long-term success of the business and the Board typically assesses proposed strategies and initiatives with this in mind. The day-to-day management of Insight is delegated to the CEO with the support of the EMC. Acting within its limits, the EMC considers best practices pertaining to stewardship activities and shares proposals and/or outcomes with the Board for directors to consider, challenge and/or approve. Where necessary, the Board will also request certain processes be put in place and/or request a deep-dive on a topic on which it is seeking further details. Responsible investment and stewardship activities have broad applications across Insight's operational and investment functions. As a result, processes are applied holistically, and responsibilities are integrated throughout the business. Climate Change Resilience Committee (CCRC) In 2022, the Board and EMC delegated oversight of the management of climate-related risks to the new CCRC which reports bilaterally to both the Board and the IROC. The CCRC is chaired by the Global Chief Risk Officer (Global CRO), who has overall senior manager responsibility of the management of climate change risks and is responsible for overseeing climate risks, opportunities, strategy and policy, including both investment and operational activities. The purpose of the CCRC is to ensure investment, risk, operational and client teams meet best practice standards in terms of how they consider climate change and that each of the functions are transparent with their processes and objectives. Additional voting members include representatives from the investment, risk, client service and legal teams. The CCRC's focus is at a firm-wide level and includes oversight of: - Implementation: The integration of climate change risk factors into decision-making processes, platforms and procedures. Approval and monitoring of net-zero strategy for both the firm itself and its investments alongside targets, and progress towards environmental commitments that link to climate change. - Stewardship: Monitoring of our climate change stewardship, including engagement and resulting action. Working with our parent company, The Bank of New York Mellon Corporation (BNY Mellon), to further develop climate strategy and commitments. Regulation: Oversight and control of firm and portfolio-level climate change transparency including TCFD-aligned reporting and stress testing. - Governance: Monitoring activities of relevant teams for their management of climate change risk issues. Regular communication and reporting back to the Board and IROC, including the recommendation of appropriate governance on climate risk, including remuneration. Overseeing the delivery of climate training to all employees and the Board at least annually.</p>
<p>Do you have a firm ESG rating?</p>	<p>No</p> <p>-</p>	<p>Do you have a dedicated team that considers ESG and Climate Change related factors?</p>	<p>Yes</p> <p>At Insight, we believe that delivering superior investment solutions depends on the effective management of the risks and opportunities presented by ESG issues, as well as other long-term value drivers. As such, Insight's approach to stewardship and responsible investment is the responsibility of all investment teams and</p>

Fund Manager Business Response

Questions	Insight Investment		
			<p>decision-makers, supported, championed and overseen by our dedicated Responsible Investment Team and governance structure. Responsible Investment Team The Responsible Investment Team, led by Robert Sawbridge, Head of Responsible Investment, is embedded within Insight's investment management team, reporting to Lucy Speake, Co-Head of Fixed Income and Head of Euro and UK Credit. Robert, as Head of Responsible Investment, guides and oversees the overall responsible investment programme at Insight across asset classes and investment teams. Robert's primary focus is on ensuring effective integration of responsible investment across investment teams as well as defining and implementing the investment strategy and parameters of our responsible investment solutions. Such solutions are subject to discussion and approval by dedicated fixed income implementation groups, whose members consist of investment desk heads, for the various asset classes in which we invest. The Responsible Investment Team's focus is broadly split into three key areas: stewardship, investment and quantitative analysis, as follows: - Stewardship: Rhona Cormack and Christopher Huynh, as Senior Stewardship Analysts, are responsible for setting the engagement strategy for Insight, including the identification of Insight's prioritised ESG themes. Additionally, they lead the stewardship and engagement process with issuers, which includes using Insight's proprietary tools to identify laggards, and developing engagement approaches tailored to each issuer. - Investment : David McNeil, as the Head of Responsible Investment Research and Innovation, is responsible for leading Insight's responsible investment research activities. Fabien Collado, our dedicated ESG portfolio manager, supports our ESG portfolio management capabilities including the day-to-day management of a number of Responsible Horizons pooled funds and our segregated sustainably-focussed mandates. Jorg Soens, Senior ESG Solutions Specialist, focuses on the design and development of our ESG products and solutions. Annabel Jennings, ESG Analyst, is responsible for impact assessment of use-of-proceeds bonds and ESG projects, while supporting the team with operational aspects of our ESG processes and stewardship. Ruth Hannigan, ESG Portfolio Analyst, is part of the investment team responsible for Insight's buy and maintain mandates, the Strategic Credit Team. She co-ordinates ESG data for the team and supports specific reporting requirements. Ruth works with the Responsible Investment Team on assessing impact bonds and use-of-proceed bonds, as well as supporting the team on ESG projects. Smita Pandey* and Milin Nagar*, ESG Analysts, support our ongoing ESG data monitoring, analysis and reporting activities. Sheena Schyma, ESG Investment Specialist supports the delivery of strategic responsible investment projects and are responsible for engaging with clients on ESG matters. Camilla Bonardelli, Responsible Investment Oversight Analyst, is part of the Investment Oversight Team. She collaborates with the Responsible Investment Team and works with several teams to ensure that ESG-related policies and procedures are integrated across corporate policies and procedures. - Quantitative analysis: A team of three ESG quantitative researchers is responsible for the development and management of our ESG data and proprietary ratings. Additionally, Vanaja Indra, as Head of Public Policy, is responsible for the market and regulatory reform function, overseeing broader stewardship issues impacting Insight and its clients, with a particular focus on engagement with policymakers for upcoming regulatory and policy changes.</p>
<p>Please provide your UNPRI survey scores</p>	<p>Insight was a founding signatory to the United Nations (UN)-supported Principles for Responsible Investment (PRI) in 2006 and became the first asset manager to produce a comprehensive report detailing how we meet our commitments as a signatory. Insight adopted a deliberately conservative approach to firm-level attestations (reporting on the year to 31 March 2023) in our PRI submission to avoid generalisations which could be interpreted as overstatements. The reporting module is open to manager interpretation and requires managers to be comfortable generalising. The range of approaches taken to this means that any comparisons across managers is not like-for-like. While the PRI reopened their reporting in 2023, the template does not yet cater for managers with broad and deep fixed income capability,</p>	<p>Do you rely on any third parties to provide ESG and Climate Change related analysis/research?</p>	<p>Yes</p> <p>Insight's proprietary Prime Corporate ESG Ratings, Prime Climate Risk Ratings and Prime Sovereign ESG Risk Ratings datasets are supplemented by and incorporate numerous third-party datasets. The external data sources are selected and reviewed by Insight's Responsible Investment Team in conjunction with the Credit Analysis Team. In our view, there is no single 'golden source', so we have taken data from a variety of sources, supplemented with our own analysis. In forming our proprietary tools and scoring frameworks we effectively supplement our analysts' research with data from multiple third-party data providers, such as: * MSCI * Sustainalytics * Vigeo Eiris * RepRisk * S&P Trucost * CDP * Science-Based Targets initiative * Transition Pathway Initiative * Climate Action 100+ * ICE We also incorporate open-source data from: * World Bank * V-Dem * Freedom House * Transparency International * IMF * Fragile States Index As we</p>

Fund Manager Business Response

Questions	Insight Investment		
	<p>customised/segregated mandates and/or operations spanning multiple jurisdictions with different regulatory regimes. Insight is participating in PRI working groups to provide further input to develop the reporting mechanism to encourage adequate flexibility to accommodate disclosures for a broader range of sub asset classes and variety of investment approaches. We provide reporting through several firm-level reporting initiatives and would point you to our Responsible Investment annual report and the relevant strategy-level documentation for details of our investment approach. We set out our relevant firm level 2023 modular scores below: Policy Governance and Strategy: ★★★★★ Confidence building measures: ★★★★★</p>		<p>believe Insight teams should be directly accountable for their stewardship activities, we typically only use third-party providers for undertaking stewardship services when necessary. The exception is for collaborative engagements where we will work through membership bodies to undertake stewardship activities on a case-by-case basis.</p>
<p>Do you have a Climate Change policy that is integrated into the investment process?</p>	<p>Yes Please refer to the following link for details of our annual Climate Change Report: https://www.insightinvestment.com/investing-responsibly/perspectives/insight-climate-change-report-2023/</p>	<p>Do you create your own ESG or Climate Change related scores</p>	<p>Yes Insight is focused on precision investment and risk management and aims to help our clients achieve their goals. Information on material ESG risks can be crucial for effective investment decisions, but ESG data providers often disagree, and there are gaps in available information. We decided to apply our years of experience in analysing ESG risks in taking data from multiple inputs, selected and adjusted for relevance and materiality using our in-house expertise, to generate ESG ratings that we believe more accurately and reliably reflect material risks. This led us to create Prime: Insight's proprietary ESG ratings, with ESG and climate risk ratings focused on corporate issuers, and ESG risk and impact ratings for sovereign issuers. Prime ratings are generated using inputs from numerous ESG data providers, adjusted for quality and relevance by Insight's credit and data experts. Our proprietary methodology aggregates, weights and maps these adjusted inputs, according to their significance for different sectors, geographies, etc. Proprietary systems are in place to feed 'Prime' data, in a consistent way, with the aim of helping our analysts and portfolio managers consider material ESG risks, informing their decision-making and engagement, and to enable tailored portfolios for clients requesting specific sustainability criteria. Our three sets of Prime ratings are as follows: * Prime Corporate ESG Ratings: First launched in 2016 with a number of enhancements since, our Prime Corporate ESG Ratings tool assesses issuers' ESG risk. This quantitative framework effectively integrates our analysts' research, supplemented with data from multiple third-party data providers. The tool generates a Prime ESG Rating for more than 3,000 investment grade, high-yield and emerging market issuers. * Prime Climate Risk Ratings: First launched in 2017 with a number of enhancements since, the Prime Climate Risk Ratings are structured around the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) framework and use physical and transition risk analysis to generate rating of c.9,500 companies using raw data. * Prime Sovereign ESG Risk Framework: First launched in 2018 with a number of enhancements since, the Prime Sovereign ESG Risk Framework is a quantitative proprietary assessment of more than 120 countries' sustainability performance, focusing on ESG factors that have relevance to Sovereign creditworthiness. The framework generates two risk measures for each country: an overall ESG risk rating and an ESG risk momentum score. If asked: How often are ESG ratings updated: Please note not all assets classes use Prime ESG scores.</p>
<p>Does your company have a policy on equality and diversity in the workplace?</p>	<p>Yes Please see copy of our DEI Policy(available upon request).</p>	<p>Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?</p>	<p>Yes All clients at Insight receive reporting in line with their stated monthly, quarterly or annual reporting requirements, and we regularly engage with them to ensure our reporting provides the information and transparency they require. Responsible investment is now a topic at most client meetings, and to reflect this significant interest, our reporting to clients may now include reporting on ESG factors, regardless of whether their mandate includes specific ESG exclusions, constraints or targets. Derivative instruments For strategies in which exposure is taken mainly through the form of derivatives it presents reporting challenges. Any data relating to these strategies gives an indication of economic exposure and does not imply 'ownership'. In particular, extending this to carbon numbers can lead to misleading</p>

Fund Manager Business Response

Questions	Insight Investment		
			<p>conceptions of what a 'carbon footprint' entails. Insight is working hard to develop reports which give a meaningful representation of carbon profiles for derivative-heavy strategies; however, as it stands, we feel the data is insufficient and potentially misleading. We are looking to work with the wider market to support the development of an appropriate solution for ESG reporting for derivatives. We will of course keep you informed when reporting is available in this regard.</p>
<p>Do ESG related factors get considered with respect to performance management of investment companies and funds?</p>	<p>Yes</p> <p>Philosophically, we aim to embed ESG considerations wherever they are relevant to our investment activities. As our stewardship and responsible investment activity continues to evolve, our incentive structure is under continuous review to ensure that objectives and related incentives also develop to reflect this focus. As such, stewardship activity is embedded within the remuneration structure of key employees at Insight. For all Insight's staff, performance is measured against a framework of objectives covering business as usual activities, initiatives, and conduct, the latter of which accounts for 20% to 40% of an employee's annual performance assessment. Conduct includes a review of an employee's performance with reference to their core behaviours; leadership and management; and organisational priorities. In 2022, the organisational priorities were updated to include a reference to "The extent to which you add value beyond your role by contributing to key organisational priorities including...keeping abreast of Insight's ESG aspirations and acting to support their achievement". Insight's portfolio managers have one and three-year performance objectives to align their activity to a suitable time horizon, with ESG objectives customised to reflect their specific activities. Portfolio managers responsible for dedicated ESG strategies or mandates with client-specified ESG criteria will also have a formal objective in their review. The outcome of the performance appraisal is linked closely to any discretionary compensation element. ESG objectives for multi-asset All members of the Multi-Asset Strategy Group have specific ESG-related (including stewardship) objectives. Consequentially, they are incentivised to actively prioritise ESG in their investment decision-making or manage portfolios that align with the concept of stewardship bringing sustainable benefits for the economy, environment and society. The outcome of the performance appraisal is linked closely to any discretionary compensation element. Performance is assessed and evaluated considering an individual's contribution to the overall client mandate, team and business performance, and culture. We aim to reward most highly those individuals who help the team to perform strongly. A team culture is an essential part of the way we conduct our business and our remuneration policy is designed to encourage this. For our credit analysts, we have formally integrated the analysis of ESG factors into their work for over a decade, and we continually consider ways to further enhance and build on our approach. In 2016, we reinforced this integration, linking our credit analysts' annual performance appraisal with their analysis of relevant ESG risks in their research. In 2021, the weightings of ESG-specific performance objectives were increased, and we formally introduced a requirement for our credit analysts to identify two to five companies with ESG shortcomings that would be the target for a deep-dive engagement, to be agreed with the Head of Credit Analysis. ESG objectives for Insight credit analysts (10% to 20%) include the following components: * In all investment recommendations, evidence they have reviewed issuer ESG</p>	<p>Are you signatories of the FRC UK Stewardship Code or equivalent?</p>	<p>Yes</p> <p>Please refer to the following link for details of our latest stewardship report: https://www.insightinvestment.com/investing-responsibly/stewardship-report-2023/</p>

Fund Manager Business Response

Questions	Insight Investment		
	<p>ratings critically * Ensure ESG ratings are noted and commented on as follows: - All 'S' ratings are commented on and explained - All new issuers/new positions commented on regardless of ESG scores being strong/weak - As far as possible, all company engagements are to include some ESG questions * Undertake a minimum of two company-specific ESG deep-dive engagements as agreed with the Head of Credit Analysis * Undertake a minimum of two ESG-related training sessions/courses/conferences relevant to your sector/broader investment landscape and document attendance</p>		

Questions	Legal and General (LGIM)		
<p>Do you have an ESG policy that is integrated into the investment process?</p>	<p>Yes</p> <p>Our policies are implemented consistently at a firm-wide level. LGIM's purpose is to create a better future through responsible investing. Aligned to this purpose, ESG is a central underpinning to all of LGIM's activities and especially within strategic initiatives. LGIM has developed and publicly disclosed its policies for stewardship activities. Our policies are reviewed annually and updated where necessary to ensure they remain aligned with the various evolving regulations, best practice and client feedback.</p>	<p>Are Senior Management accountable for ESG or Climate Change risks?</p>	<p>Yes</p> <p>We have many people across the business contributing to our ESG insights and research. They sit across various teams with different levels of responsibility relating to ESG but all feed into our responsible investing capabilities. As at the end of June 2022, there are a total of 47 LGIM employees with roles dedicated to ESG, some of which are outlined in more detail below. • There are 20 people in our global Investment Stewardship team, led by Kurt Morriesen. The team is responsible for developing and carrying out LGIM's investment stewardship and responsible investment activities as well as the oversight, implementation and integration of ESG across the firm. • Nick Stansbury, Head of Climate Solutions, leads our energy transition approach and is one of our most prominent spokespeople on this topic. He leads our Climate Solutions team which has a total of four team members. • As Global Head of Responsible Investment Integration, Michael Marks' role spans all functions within LGIM from investment stewardship, distribution and investment teams to operational functions such as data and technology; embedding ESG across the firm in all areas and ensuring that focus is maintained on delivering the capabilities required by all stakeholders. • Amelia Tan has recently joined LGIM as the Head of Responsible Investing Strategy for Investments (January 2022). This role ensures that LGIM stays at the cutting edge of innovation within responsible investing and creates a coordinated approach across asset classes, which is embedded throughout our funds and portfolios. • Caroline Ramscar, Head of Sustainable Solutions, is responsible for engaging with clients on sustainability and the development of responsible investment solutions. This is a role which was created to develop LGIM's sustainable strategy. Two further colleagues are dedicated to supporting clients' journeys to adopt more responsible investing strategies. • LGIM's Real Assets team has a team of seven dedicated ESG experts working across the range of private credit and real estate strategies that we manage. As at the end of June 2022, we also have a further 62 colleagues across Investments whose roles have very substantial contribution to our responsible investing capabilities and whose objectives reflect this although their responsibilities are broader than solely ESG. Our Global Research and Engagement Groups (GREGs) bring together colleagues from across LGIM to identify the challenges and opportunities that will determine the resiliency of sectors and the companies within them. The output from the group strengthens and streamlines the firm's engagement activities across investments and stewardship, to enable us to collectively set goals and targets at a company level with one voice, whilst supporting and guiding our investment decisions across the capital structure. As at the end of June 2022, there are over 70 participants which includes members of our investment teams primarily along with representation</p>

Fund Manager Business Response

Questions	Legal and General (LGIM)		
			from Investment Stewardship, who overlap on these groups.
Do you have a firm ESG rating?	<p>Yes</p> <p>LGIM has an award-winning Investment Stewardship team, with a track record of over 20 years. External validation and oversight keep us on our toes and propels us forward to keep improving. We participate in industry-wide assessments of our engagement and stewardship processes and are proud to have been nominated by industry bodies like the ICGN, ICSA and UN PRI for our: • Engagement activities disclosure • Market-wide involvement in lobbying activities • Strong implementation of ESG and corporate governance matters into our stewardship activities.</p>	Do you have a dedicated team that considers ESG and Climate Change related factors?	<p>Yes</p> <p>There are a total of 37 LGIM employees with roles dedicated to ESG. In addition, we have a further 58 colleagues whose roles have very substantial contribution to our responsible investing capabilities and whose objectives reflect this although their responsibilities are broader than solely ESG.</p>
Please provide your UNPRI survey scores		Do you rely on any third parties to provide ESG and Climate Change related analysis/research?	<p>Bloomberg, CDP, Diligent, HSBC, InfluenceMap, ISS, IVIS, Maplecroft, Refinitiv, RepRisk, Sustainalytics We obtain a large ESG raw data set from a wide range of data and analysis providers which can be used for voting, engagement, research, index/portfolio construction and management. We typically licence raw data from such providers, as opposed to off-the-shelf ESG scores/rating, as we believe our knowledge and expertise of investing and engaging with companies are best placed to identify material and relevant ESG factors. This quantitative data is supplemented by qualitative research from academic and NGO research as well as sell-side broker reports.</p>
Do you have a Climate Change policy that is integrated into the investment process?	<p>Yes</p> <p>We have developed proprietary ESG tools, used across different asset classes and investment strategies, which incorporate climate change metrics such as carbon emissions, fossil fuel exposure or 'green' revenues. These tools are used to support fund managers, develop new investment solutions, assist the investment stewardship team in its engagements with companies, and help clients understand more about the climate risks and opportunities in their portfolios. LGIM has developed a bespoke climate solutions framework, Destination@Risk, which allows us to quantify the implications of different climate change scenarios across the global economy, key sectors, and individual securities, including a forward-looking assessment of 'temperature alignment'. The outputs of the framework are used to inform our climate-related engagements, to support our investment process, and to develop climate reporting for clients.</p>	Do you create your own ESG or Climate Change related scores	<p>Yes</p> <p>We have developed a rules-based methodology by which to score companies against ESG metrics; this generates the LGIM ESG Score. The LGIM ESG Score aligns with how we engage with, and vote on, the companies in which we invest. To facilitate this process, we publish the scores and explain the metrics on which they are based. In addition, the ESG score is used by our index teams in the creation of ESG aligned index-products. We have identified 30 ESG indicators based on our expertise and experience in corporate reporting, corporate disclosures and transparency. We developed the scores with the aim of improving market standards globally, while monitoring ESG developments across our entire investment universe. The scores help drive our engagement process and are aligned with LGIM's voting policy and principles – we are more likely to vote against companies with poor scores at their annual general meetings (AGMs).</p>
Does your company have a policy on equality and diversity in the workplace?	<p>Yes</p> <p>LGIM is an award winning company, we are committed to delivering the right products and solutions to our clients and we believe the key to our success is our people. Steered by the Executive team, diversity and inclusion is embedded in our culture from the way we recruit, develop and connect with employees, to how we steward responsible investing through ESG. To show our commitment to making diversity and inclusion part of everything we do, the role of Head of Inclusion & Culture was created in 2018. Colette Comerford was appointed to the role with responsibility for driving the evolution and continuous improvement of LGIM's culture, diversity and inclusion objectives, working closely with the</p>	Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?	<p>Yes</p> <p>Quarterly</p>



Fund Manager Business Response

Questions	Legal and General (LGIM)		
	executive team, our Senior HR team, LEGIT (Legal & General Inclusion team) and L&G's Group Diversity and Inclusion team.		
Do ESG related factors get considered with respect to performance management of investment companies and funds?	<p>Yes</p> <p>ESG factors are embedded into our evaluation of investment opportunities across many investment strategies to identify unrewarded risk, and protect and enhance the long-term value of all our clients' investments. Our investment framework is designed with several objectives in mind: • Encouraging companies to improve their behaviour, and the quality of their ESG disclosures, we can raise the standards of entire markets, and help generate sustainable, long-term returns for our clients • Assessing a company's ESG risks: we see unmanaged ESG factors, meanwhile, as posing potential risks and opportunities, which can have a material impact on the performance of investments • Identifying the winners of the future, the companies to which investors will allocate ever-larger amounts of capital.</p>	Are you signatories of the FRC UK Stewardship Code or equivalent?	<p>Yes</p> <p>LGIM has been a signatory to the UK Stewardship Code every year since its inception and we provide copies of our responses on our website.</p>

Questions	Schroders Investment Management Ltd		
Do you have an ESG policy that is integrated into the investment process?	<p>Yes</p> <p>Our Environmental, Social and Governance (ESG) Policy is available on our website at: https://prod.schroders.com/en/sysglobalassets/global-assets/english/campaign/sustainability/integrity-documents/schroders-esg-policy.pdf Our ESG policy applies across our managed assets and outlines our commitments to ESG integration, our approach to active ownership (including voting) and our policy around exclusions. At Schroders, we invest in a wide range of asset classes and therefore our policy contains specific comments on company investments, sovereigns and other asset classes such as convertible bonds, structured credit and insurance linked securities. Our policy also contains a section on our corporate governance principles and what we expect of our investee companies in this regard. Our policy should be viewed alongside our Climate Transition Action Plan (https://prod.schroders.com/en/sysglobalassets/digital/global/corporate-responsibility/climate-transition-action-plan.pdf), which lays out our firm-wide climate commitments, and our Engagement Blueprint (https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf), which explains our principles around active ownership.</p>	Are Senior Management accountable for ESG or Climate Change risks?	<p>Yes</p> <p>Schroders' Group Chief Executive leads our ESG executive committee and retains overall responsibility for the firm's sustainability strategy. We operate a top-down governance structure with executive and Group Management Committee (GMC) members sitting across ESG and corporate responsibility committees. Our Global Head of Sustainable Investment is also a member of the GMC. Members of the GMC have specific objectives relating to sustainability, with a proportion of their variable remuneration dependent on progress against these objectives. We have clear and effective governance structures in place for decision-making and oversight of our ESG Policy and strategy. The Board of Schroders plc (the Board) has collective responsibility for the management, direction and performance of the Group, and is accountable for our business strategy. The Group has a well-defined governance framework based on delegated authority. The Board has reserved certain matters to itself and has also delegated specific responsibilities to Board committees, notably the Nominations Committee, the Audit and Risk Committee and the Remuneration Committee and to the Group Chief Executive. The Group Chief Executive is responsible for proposing the strategy for the Group and for its execution. For a number of years, our executive Directors have had sustainability-related metrics included within their annual bonus scorecard. The specific targets and measures are chosen each year to align to our key priorities. Below the Board and GMC, there are three main sustainability governance committees: The Corporate Responsibility Committee (CR Committee) provides advice to the Group Chief Executive to assist him in discharging his responsibilities regarding corporate responsibility. The Committee considers, reviews and recommends the overall global corporate responsibility strategy, including key initiatives, new commitments and policies to the Group Chief Executive for approval. The Head of Corporate Sustainability, a member of the Committee, reports annually to the GMC and the Board. The ESG Executive Committee (ESG ExCo) considers the Group's sustainability strategy and advises the Global Head of Investment on the Investment Management sustainability strategy and how we aim to achieve our net zero asset management business model. Any updates to our ESG policy are approved by the ESG ExCo and Global Head of Investment. The ESG Regulatory</p>

Fund Manager Business Response

Questions	Schroders Investment Management Ltd		
			Steering Committee (ESG Reg SteerCo) monitors emergent ESG regulations and determines their high-level impact on our ESG strategy and supporting operations. The committee receives input on forthcoming sustainability-related regulation from our in-house Public Policy team, which actively engages with relevant regulators, industry trade associations and other climate initiative bodies, in addition to our in-house ongoing monitoring of the regulatory horizon, including climate regulations.
Do you have a firm ESG rating?	<p>Yes</p> <p>Schroders plc's overall ESG rating from Sustainalytics is 19, from Refinitiv is 76 and from MSCI is AAA (Source: Sustainalytics, Refinitiv and MSCI, as at February 2023.)</p>	Do you have a dedicated team that considers ESG and Climate Change related factors?	<p>Yes</p> <p>Sustainability is fundamental to our investment principles at Schroders and we have an experienced and well-resourced Sustainable Investment team, who are embedded within our Investment function. As at January 2023, the team comprises over 50+ dedicated ESG professionals with over 400 years' combined investment experience. We are a global team, spread across four regional hubs in London, Paris, Singapore and New York, aiming to ensure that sustainability is embedded through our global investment teams and client functions. The team is led by Andrew Howard, Global Head of Sustainable Investment who is also a member of our Group Management Committee. As team head, he oversees our approach to ESG integration, active ownership, our sustainability research and tools, and our reporting and product strategy. Our Sustainable Investment team sits alongside investment teams rather than operating in a silo, which facilitates regular dialogue with our analysts and portfolio managers. It is organised into three pillars: 1) Sustainable Investment Management, incorporating integration, thematic research and models and data, 2) Active Ownership, encompassing engagement and voting and 3) Product, which entails our client, product and solutions activities. We also have regional sustainability specialists in Europe, Asia and North America, who work closely with our regional investment desks and clients globally. We outline their key responsibilities and areas of focus below. 1. Sustainable investment management Our Integration team works with our investment teams to integrate our proprietary ESG tools and research into their investment processes. They are also responsible for the annual review and integration accreditation of all our investment desks. Our Research team is responsible for conducting research into our key thematic areas and working in collaboration with investors to help them understand how these themes impact their portfolios. Our Models and Data team is responsible for the maintenance and evolution of our suite of proprietary tools. They are also responsible for ESG data, ensuring we harness sustainability data effectively from both conventional and unconventional sources. 2. Active ownership Our Engagement team partners with investors to have dialogue with the companies in which we invest, seeking to understand how prepared they are for a changing world and pushing them towards more sustainable practices. The team track the progress of these engagements and hold companies to account. Our Corporate Governance team is responsible for voting in line with our Voting Policy and Principles. 3. Product Our Product team is responsible for all the externally-facing aspects of our sustainability strategy. This includes our suite of products and solutions, client engagement and our engagement with regulators and industry bodies. We also have regional specialists who help our clients around the globe to achieve their sustainability objectives.</p>
Please provide your UNPRI survey scores	<p>We became a signatory to the UNPRI on 29 October 2007, however we have been considering ESG and sustainable investment since 2000. After a delay in the UNPRI reporting cycle, we have now received our 2021 scores, reflecting our activity during 2020. The 2021 reporting cycle introduced a new reporting and assessment framework. We have received scores of 4 and 5 stars across all of the modules in the new reporting structure; which ranges from 1-5 stars (5 being the top score). A summary of our scores for the 2021 reporting cycle are available below. Our public transparency report is also available here: https://ctp.unpri.org/dataportalv2/transparency. Module Investment & Stewardship Policy: Rating 4 stars Direct – Listed Equity (Active quantitative – incorporation): Rating 5</p>	Do you rely on any third parties to provide ESG and Climate Change related analysis/research?	<p>Yes</p> <p>We use information from several external ESG research firms, but only ever as one input into our own company assessments to be questioned, examined and built on. Third party research may be used by the Sustainable Investment team, however our analysts form a proprietary view on each of the companies we analyse. We currently subscribe to the following external ESG research providers: MSCI ESG research, Bloomberg, EIRIS, Refinitiv and Sustainalytics. In addition, we subscribe to Institutional Shareholder Services and the Investment Association's Institutional Voting Information Service for our proxy voting research. Aiming to move away from the use of third party ESG scores, we developed CONTEXT. The tool goes beyond a simple tick box approach – it is interactive and customisable, enabling analysts to select the most material ESG factors for each sector, weight their importance and apply relevant metrics. Analysts are then able to compare</p>

Fund Manager Business Response

Questions	Schroders Investment Management Ltd		
	<p>stars Direct – Listed Equity (Active fundamental – incorporation): Rating 5 stars Direct – Listed Equity (Investment trusts – incorporation): Rating 5 stars Direct – Listed Equity (Active quantitative – voting): Rating 5 stars Direct – Listed Equity (Active fundamental – voting): Rating 5 stars Direct – Listed Equity (Investment trusts – voting): Rating 5 stars Direct – Fixed Income – SSA: Rating 5 stars Direct – Fixed Income – Corporate: Rating 5 stars Direct – Fixed Income – Securitized: Rating 5 stars Direct – Real Estate: Rating 4 stars Indirect – Listed Equity – Passive: Rating 4 stars Indirect – Listed Equity – Active: Rating 4 stars Indirect – Fixed Income – Passive: Rating 4 stars Indirect – Fixed Income – Active: Rating 4 stars Indirect – Private Equity: Rating 5 stars</p>		<p>companies based on the metrics selected, their own company assessment scores or adjusted rankings (by size, sector or region). The unique features of the tool give analysts the flexibility to make company specific adjustments to reflect their specialist knowledge.</p>
<p>Do you have a Climate Change policy that is integrated into the investment process?</p>	<p>Yes</p> <p>We believe it is important to hold ourself to the same high standards we set for our investee companies and our Climate Transition Action Plan (CTAP) outlines how we will manage our business toward net zero emissions across both our own operations and value chain. The latter makes up the majority of our emissions and relates primarily to the investments we make on behalf of our clients. We will deliver that transition to protect and create value for our clients.</p>	<p>Do you create your own ESG or Climate Change related scores</p>	<p>Yes</p> <p>At Schroders we do not take a “one size fits all” approach to ESG integration. We understand that different asset classes require different methods to integrate ESG into their investment processes effectively. We have therefore developed a suite of research-based and quantitative ESG investment tools which provide insights to empower our investors to make decisions. We have outlined our key tools below: SustainEx™ SustainEx™ provides our investment teams with an estimate of positive and negative “externalities” that companies and countries may create for society. It does this by using metrics chosen by Schroders and quantifying positive (for example, paying ‘fair wages’) and negative (for example, the level of carbon an issuer emits) metrics to produce an aggregate measure, expressed as a notional percentage of sales (of a company) or GDP (of a country). If a company was handed a bill or a credit note at the end of the year, for the net costs or benefits they created for society, SustainEx™ estimates what that would be. Like companies, we believe that sovereigns may also be assessed in terms of the externalities they may create for society. SustainEx™ estimates global costs and benefits arising from government activities – such as spending on education and infrastructure, predatory taxation, treatment of refugees and biodiversity loss – and how countries may contribute positively or negatively to these. In respect of sovereigns, SustainEx™ uses 29 metrics and covers 150 countries (as at June 2022). The net score of each such country – or its “social value” – is normalised as a percentage of GDP so we can compare country scores in our investment analysis. CONTEXT™ Our flagship ESG research tool, provides a systematic framework for analysing a company’s relationship with its stakeholders and the sustainability of its business model. Comprising over 260 metrics across over 13,000 companies, it is designed to support our investors’ understanding of the sustainability of companies’ business models and profitability, and provides structured, logical and wide-ranging data to support our analysts’ views. This consistent structure makes information sharing easier and allows us to identify market wide trends and insights. The tool goes beyond a simple tick box approach – it is interactive and customisable, enabling analysts to select the most material ESG factors for each sector, weight their importance and apply relevant metrics. Analysts are then able to compare companies based on the metrics selected, their own company assessment scores or adjusted rankings (size, sector or region), with the flexibility to make company specific adjustments to reflect their detailed knowledge. The tool is fully integrated within Schroders’ global research platform, which is readily accessible across investment desks and geographies. We have also developed a number of proprietary quantitative metrics that can be used to demonstrate and measure a portfolio’s sustainability characteristics. Country CONTEXT™ We recognise that the importance of ESG risks to nations is likely to increase as social and environmental challenges, such as social unrest or climate change – intensify and the world becomes increasingly connected. While many investors consider country risk when allocating capital, there have been few attempts to date that consider the long-term sustainability of countries’ growth and whether risks or opportunities are reflected in asset valuations. Country CONTEXT™ aims to provide a structured lens through which to analyse the sustainability of sovereign GDP growth. By assessing the ESG risks and</p>

Fund Manager Business Response

Questions	Schroders Investment Management Ltd		
			<p>opportunities that have historically driven growth, as well as those that may be influential in the future, it aims to provide investors with a long-term view of countries' GDP growth as well as an indication as to whether the market is pricing in country sustainability factors across various asset classes. We also have a suite of climate tools, recognising that this complex challenge is multi-faceted and we need multiple lenses to build an understand of climate risk across our investments. Carbon value at risk (VaR) Carbon footprints remain the dominant measure of carbon exposure, but are an incomplete and sometimes misleading measure of investment risk. We have developed a way of looking at carbon risk, whereby we focus on the ways value will be lost or created as policies strengthen, through financial analysis rather than environmental research. Our carbon value at risk (VaR) model assesses the effect of a significant rise in carbon prices on a company's cost structure, industry prices, volumes and cash flows. Climate Progress Dashboard The dashboard monitors change indicators across the four categories that we consider have the most influence on limiting global temperature rises: political change, business and finance, technology solutions and entrenched industry (i.e. fossil fuel use). It provides us and our clients with an objective, transparent and comprehensive view of the pace and scale of global climate action (https://www.schroders.com/en/sustainability/corporate-responsibility/sustainability/climate-progress-dashboard) Net Zero Dashboard This recently, developed tool enables our investment teams and central risk function to monitor the temperature alignment of portfolios. This an important component of meeting our net zero targets. For more information please see our Climate Transition Action Plan: https://www.schroders.com/en/sysglobalassets/digital/global/corporate-responsibility/climate-transition-action-plan.pdf Physical risk model Our physical risk framework – which we have applied to over 10,000 companies globally – estimates what businesses would have to pay to insure their physical assets against hazards caused by rising global temperatures and weather disruption. Comparing that implied cost to companies' market values provides a systematic way to help measure, monitor and manage the risks companies face.</p>
<p>Does your company have a policy on equality and diversity in the workplace?</p>	<p>Yes</p> <p>Schroders is committed to providing equal opportunities in employment and to preventing discrimination. Our Equal Opportunities, Bullying, Harassment, Respect and Dignity at Work policy is intended to assist Schroders to put this commitment into practice. Compliance with this policy will ensure that employees do not commit unlawful acts of discrimination and treat one another with dignity and respect. The policy applies to all employees regardless of their seniority together with applicants, consultants and contractors working for us and other individuals such as external suppliers, not directly employed by us but with whom we have dealings during the course of our business. More information is available here: https://www.schroders.com/en/about-us/people-and-culture/inclusion/</p>	<p>Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?</p>	<p>Yes</p> <p>At Schroders, we believe that clear and ongoing communication to clients and other stakeholders on our ESG and stewardship activities is important. Over the past few years, we have been working to increase the transparency and usefulness of our reporting. Through the publication of our annual and quarterly Sustainable Investment reports, we demonstrate our engagement activity and progress. We share our research and thought leadership, and provide insights into innovations aimed at maintaining our status as a market leader. We also publicly disclose our global voting activity. More in depth reporting on engagement and voting is supplied to clients. We have a dedicated Sustainability webpage (https://www.schroders.com/en/sustainability/active-ownership/) which contains a number of reporting including the following: – Quarterly Sustainable Investment Report (https://www.schroders.com/en/sustainability/active-ownership/sustainability-analysis-in-practice/) – Current ESG related topics and thematic research, engagements details, voting details. – Annual Sustainable Investment Report (https://www.schroders.com/en/sustainability/active-ownership/sustainability-analysis-in-practice/) – Our approach to ESG Integration, policy details, current ESG related topics and thematic research, engagements details, voting and governance details, general statistics and AUMs, details of industry involvement . – Sustainability insights (https://www.schroders.com/en/insights/topic-landing-page/?categoryId=499) on a range of environmental, social and governance factors. – Historical voting reports (https://www.schroders.com/en/sustainability/active-ownership/voting/). – Engagement Blueprint (https://www.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022-1.pdf). – Climate Transition Action Plan (https://www.schroders.com/en/sysglobalassets/digital/global/corporate-responsibility/climate-transition-action-plan.pdf).</p>
<p>Do ESG related factors get considered with respect to performance</p>	<p>Yes</p>	<p>Are you signatories of the FRC UK Stewardship Code or equivalent?</p>	<p>Yes</p>

Fund Manager Business Response

Questions	Schroders Investment Management Ltd		
<p>management of investment companies and funds?</p>	<p>Schroders has integrated the assessment of sustainability factors and risk across our managed assets*. This means that when we assess the performance of our investment teams we do so having regard to investment performance that is in part derived from ESG-integrated investment processes. ESG integration, coupled with investment performance measured over at least a five-year period, means that the consideration and management of sustainability factors and risks are a component of our remuneration decisions for our investment teams. Schroders has a proud history of investing sustainably. Our long-term approach leads us to the belief that generating returns for our clients will be intrinsically linked to our ability to identify, measure and engage on the impacts of social and environmental change attributable to the assets in which we invest. In our experience successful investment is intrinsically linked to identifying, understanding and incorporating the effects of ESG trends in our idea generation, analysis, portfolio construction and ownership. While ESG issues are sometimes difficult to quantify, these factors can have a material impact on an investment's performance both in the short and long term, as well as the inherent risk of investing in that asset. Therefore we firmly believe analysing a company's exposure to, and management of, ESG factors, in addition to traditional financial analysis, will enhance our understanding of an investment's fair value and ability to deliver sustainable returns. Active Ownership is an important part of our sustainability strategy. Through active ownership, we aim to drive change that will protect and enhance the value of our investments and we are committed to leveraging the weight of our firm to change how a company is operating for the better. We believe this is an important aspect of our role as stewards of our clients' capital and how we help clients meet their long-term financial goals in line with our fiduciary responsibilities. *For certain businesses acquired during the course of 2020, 2021 and 2022 we have not yet integrated ESG factors into investment decision-making. There are also a small number of strategies for which ESG integration is not practicable or now possible, for example passive index tracking or legacy businesses or investments in the process of or soon to be liquidated, and certain joint venture businesses are excluded.</p>		<p>Schroders fully supports the UK Stewardship Code and complies with all its principles. Although the Code is focused on the UK, it is a globally recognised standard and signatories must report on their active ownership activities across their entire asset base. Hence, in our report we outline how we apply the Stewardship Code principles globally, taking into account local practice and law. We are mindful of similar stewardship codes in other jurisdictions in which we invest. We keep these under review and look to our statement of compliance with the UK Stewardship Code to be our response to them. Our 2021 Stewardship Code report explaining how we apply the Code's principles in practice can be found at https://www.frc.org.uk/getattachment/c40289db-0361-4a21-8061-f5eb40e90611/NEW-Schroders-Stewardship-Code-Report-rev-2021.pdf</p>

Fund Manager Product Response

Activity	Insight LDI Funds		
Do you undertake Engagements for this fund?	Yes,	How many engagements have you had with companies in the past 12 months?	59
How many engagements were made regarding environmental topics?	30	How many engagements were made regarding governance topics?	10
How many engagements were made regarding social topics?	15	How many engagements were made regarding other issues?	27
<p>Which form of engagement is most representative of the approach taken for this fund over the last 12 months:</p> <ul style="list-style-type: none"> • Sending standardised letters to companies • Sending bespoke letters to companies • Standard period engagement with companies • Active private engagement on specific issues <p>Active public engagement on specific issues</p>		Please discuss some of the key engagements and outcomes from the last 12 months.	<p>Barclays PLC - Q4 2022, Q1 2023, Q2, 2023 & Q3 2023 (entity engagement).</p> <p>Topic: Environment - Climate change</p> <p>Rationale: Barclays is a UK-based bank that operates globally. This engagement was identified as part of Insight's counterparty engagement programme. With growing operations in the US, the political environment related to ESG is directly impacting the bank. The latest engagement sought to discuss the bank's sustainable finance framework and the feedback we have provided, given some elements of their environmental programme lags behind their peers. This engagement is aligned to SDG 13 Climate Action.</p> <p>What have you done: Barclays' sustainable finance framework was updated in 2022 when the target was revised from \$150bn to \$1tr. However, they have yet to set accredited science-based targets, continue to engage with SBTi but are prioritising NZBA and the majority of their portfolios to have financed emissions targets. Impact bonds were discussed in the context of stricter policy criteria covering refinancing of old projects, maximum lookback periods, EU taxonomy alignment, use-of-proceeds investor reporting, energy efficiency, target populations, definitions (e.g., what constitutes 'sustainable protein') and overarching governance. Their revenue-based threshold around arctic drilling is high (50%) given they recognise the different dependencies on fracking between the UK and US and will remain flexible in their approach, noting that a significant proportion of their financing relates to cash flows rather than project financing.</p> <p>Outcomes and next steps: Following on from our recommendations, BACR has enhanced its oil sands policy and introduced a Client Transition Framework demonstrating how the bank is evaluating its corporate clients' transition progress towards low-carbon business models. They also acknowledged their risk policy guidelines are due for an update. We recommended that BACR continues to align its sector policies (to address exclusions relating to arctic, general oil and gas; and fracking) to IEA guidance; provide additional details on the assessment, support of and escalation (without terminating relationships) procedures relating to clients on climate-related issues under their Client Transition Framework in their next annual report; set science-based targets to improve transparency and comparability with competitors; increase scope of assurance on scope 1, 2, 3 emissions; transparency around its lobbying practices.</p>
Do you engage in voting for this fund?	No, LDI Fund	Do you conduct your own votes?	Not applicable for this fund

Fund Manager Product Response

Activity	Insight LDI Funds		
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	<p>Yes Rationale: As a response to this, Insight became a signatory of the Net Zero Asset Managers initiative in April 2021, where we have committed to reach net zero emissions by 2050 at the latest. To support our journey towards net zero, we will either actively engage with our highest emitters, or ensure they are on a net zero pathway. Therefore, we are developing bespoke strategies to engage with the highest emitters within our portfolio on climate-related issues, such as coal exposure and carbon intensity performance. We use our Net Zero Model to identify companies to engage with, as we look to ensure that at least 50% of financed emissions are either net zero, aligned to a net-zero pathway, aligning to a net-zero pathway or subject of engagement with a view to moving into alignment by net zero, by 2023. This target increases to cover 70% by of financed emissions by 2025. We identify objectives for engagement using tools such as the Net Zero Benchmark from Climate Action 100. Success will be measured on improvement across the criteria of our Net Zero model and will be assessed on a case-by-case basis.</p>		
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	

Activity	Insight Liquidity Fund		
Do you undertake Engagements for this fund?	Yes,	How many engagements have you had with companies in the past 12 months?	6
How many engagements were made regarding environmental topics?	5	How many engagements were made regarding governance topics?	2
How many engagements were made regarding social topics?	2	How many engagements were made regarding other issues?	3
<p>Which form of engagement is most representative of the approach taken for this fund over the last 12 months:</p> <ul style="list-style-type: none"> • Sending standardised letters to companies • Sending bespoke letters to companies • Standard period engagement with companies • Active private engagement on specific issues <p>Active public engagement on specific issues</p>		Please discuss some of the key engagements and outcomes from the last 12 months.	<p>The Bank of Nova Scotia - Q4 2022 (entity engagement). Topic: Environment - Climate change, Governance - Remuneration and Strategy, Financial and Reporting - Strategy/purpose</p> <p>Rationale: The Bank of Nova Scotia (BNS) is a Canadian multinational banking and financial services institution headquartered in Toronto. It is one of Canada's Big Five banks. We engage with BNS as part of our counterparty engagement programme to understand its ESG capabilities; and to provide high level feedback on a recently completed questionnaire and to discuss the areas of underperformance in more detail. BNS was one of the top financiers of fossil fuels from 2016-2021 and we found that the bank has weak fossil fuel financing policies compared to its peers. Their published statements for coal and Arctic financing are very brief in comparison with other banks. Whilst they do not finance standalone projects for thermal coal or coal power generation, existing mining and utility clients continue to be supported and their policy does not include a full coal phase out date. This engagement is aligned to SDG7 Affordable and clean energy, SDG9 Industry, innovation and infrastructure and SDG13 Climate Action.</p> <p>What you have done: Engagements with BNS were conducted</p>

Fund Manager Product Response

Activity	Insight Liquidity Fund		
			<p>on 22 June 2022 by our Credit Analyst at a 121 private meeting with their Investor Relations team and separately on 14 Oct 2022 by our Senior Stewardship Analyst on a 121 telephone call with their Corporate Social Responsibility team. BNS signed up to the Net Zero Banking Alliance in October 2021 when they started the process of setting sector-based carbon intensity reduction targets. They took longer than some peers as they wanted to build this expertise in house by hiring new skilled employees, purchased a data provider and validated the data. BNS' impact lending target is below many other peers we surveyed. Its climate financing target of \$350 billion by 2030 is much smaller than many other banks. BMO is a similar size bank to BNS and has a target to mobilise \$400 billion towards sustainable finance by 2025. BNS links ESG performance to executive remuneration but has used mainly qualitative metrics to date.</p> <p>Outcomes: We challenged the bank on the areas of underperformance in the questionnaire relative to its peers. BNS was receptive to our comments. We will provide feedback and monitor the progress of our feedback over time. They now have set targets using 2019 as a baseline across 4 sectors: Oil & Gas, Power & Utilities, Residential Mortgages and Agriculture. The decarbonisation strategies for the latter two are in an earlier stage due to challenges with data availability. BNS argued its target is specifically climate-focused whereas other banks have more of a general sustainable finance target. It is also starting to transition from qualitative towards quantitative metrics with regards to executive remuneration to make the approach more robust and transparent.</p>
Do you engage in voting for this fund?	No,	Do you conduct your own votes?	Not applicable for this fund
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	<p>Yes Rationale: As a response to this, Insight became a signatory of the Net Zero Asset Managers initiative in April 2021, where we have committed to reach net zero emissions by 2050 at the latest. To support our journey towards net zero, we will either actively engage with our highest emitters, or ensure they are on a net zero pathway. Therefore, we are developing bespoke strategies to engage with the highest emitters within our portfolio on climate-related issues, such as coal exposure and carbon intensity performance. We use our Net Zero Model to identify companies to engage with, as we look to ensure that at least 50% of financed emissions are either net zero, aligned to a net-zero pathway, aligning to a net-zero pathway or subject of engagement with a view to moving into alignment by net zero, by 2023. This target increases to cover 70% by of financed emissions by 2025. We identify objectives for engagement using tools such as the Net Zero Benchmark from Climate Action 100. Success will be measured on improvement across the criteria of our Net Zero model and will be assessed on a case-by-case basis.</p>		
What is the target turnover rate for the portfolio?		What was the actual turnover rate over the last 12 months?	

Fund Manager Product Response

Activity	L&G Life GPEN Future World Global Equity Index Fund GBP Hedged		
Do you undertake Engagements for this fund?	Yes,	How many engagements have you had with companies in the past 12 months?	886
How many engagements were made regarding environmental topics?	493	How many engagements were made regarding governance topics?	278
How many engagements were made regarding social topics?	231	How many engagements were made regarding other issues?	
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • Sending standardised letters to companies • Sending bespoke letters to companies • Standard period engagement with companies • Active private engagement on specific issues • Active public engagement on specific issues 		Please discuss some of the key engagements and outcomes from the last 12 months.	
Do you engage in voting for this fund?	Yes,	Do you conduct your own votes?	LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in
Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments	LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions. ISS's 'ProxyExchange' electronic voting platform	How many votes were proposed across the underlying companies in the fund?	52639
How many times did you vote in favour of management?	42246	How many times did you vote against management?	10162
How many votes did you abstain from?	189	Do you have a vote you consider the most significant for this fund?: <ul style="list-style-type: none"> • Company name • Date of the Vote • Summary of the resolution • On which criteria have you assessed this vote to be 'most significant'? • Approximate size of the fund's/ mandate's holding as a the date of the vote • How did you vote? • Rationale of the voting decision • Outcome of the vote • Where you voted against management, did you communicate your intent to the company ahead of the vote? 	Yes, Microsoft Corporation Resolution 1.06 - Elect Director Satya Nadella Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO. 5,467041 Against Joint Chair/CEO: A vote against is applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns. N/A LGIM publicly communicates its vote instructions on its

Fund Manager Product Response

Activity	L&G Life GPEN Future World Global Equity Index Fund GBP Hedged		
			<p>website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics</p>
<p>Do you have a vote you consider the second most significant for this fund?:</p> <ul style="list-style-type: none"> Company name Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'second most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, NVIDIA Corporation</p> <p>Resolution 1i - Elect Director Stephen C. Neal Yes 2.063742 Against (against management recommendation) Diversity: A vote against is applied as LGIM expects a company to have at least one-third women on the board. Average board tenure: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. 29% (Fail) LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p>	<p>Do you have a vote you consider the third most significant for this fund?:</p> <ul style="list-style-type: none"> Company name Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'third most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, Amazon.com, Inc.</p> <p>Resolution 13 – Report on Median and Adjusted Gender/Racial Pay Gaps Pre-declaration and Thematic – Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf. 1.304096 For (Against Management Recommendation) A vote in favour is applied as LGIM expects companies to disclose meaningful information on its gender pay gap and the initiatives it is applying to close any stated gap. This is an important disclosure so that investors can assess the progress of the company's diversity and inclusion initiatives. Board diversity is an engagement and voting issue, as we believe cognitive diversity in business – the bringing together of people of different ages, experiences, genders, ethnicities, sexual orientations, and social and economic backgrounds – is a crucial step towards building a better company, economy and society. 29% (Fail) LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was set to the company ahead of the meeting.</p>
<p>Do you have a vote you consider the fourth most significant for this fund?:</p> <ul style="list-style-type: none"> Company name Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'fourth most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, Alphabet Inc.</p> <p>Resolution 18 - Approve Recapitalization Plan for all Stock to Have One-vote per Share High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received. 1.019847 For (against management recommendation) Shareholder Resolution - Shareholder rights: A vote in favour is applied as LGIM expects companies to apply a one-share-one-vote standard. 30.7% (Fail) LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p>	<p>Do you have a vote you consider the fifth most significant for this fund?:</p> <ul style="list-style-type: none"> Company name Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'fifth most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, Meta Platforms, Inc.</p> <p>Resolution 1.9 - Elect Director Mark Zuckerberg Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote). Thematic - Investor Rights: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of one-share one-vote and our support for equality of voting rights. 1.006526 Withhold (against management recommendation) Joint Chair/CEO: A vote against is applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns. Shareholder rights: A vote against is applied because LGIM supports the equitable structure of one-share-one-vote. We expect companies to move to a one-share-one-vote structure or provide shareholders a regular vote on the continuation of an unequal capital structure. WITHHOLD votes are further warranted for Mark</p>

Fund Manager Product Response

Activity	L&G Life GPEN Future World Global Equity Index Fund GBP Hedged		
			<p>Zuckerberg, the owner of the supervoting shares. 34.8% (Fail) LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p>
<p>Do you have a vote you consider the sixth most significant for this fund?:</p> <ul style="list-style-type: none"> • Company name • Date of the Vote • Summary of the resolution • On which criteria have you assessed this vote to be 'sixth most significant'? • Approximate size of the fund's/ mandate's holding as a the date of the vote • How did you vote? • Rationale of the voting decision • Outcome of the vote • Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, JPMorgan Chase & Co.</p> <p>Resolution 9 - Report on Climate Transition Plan Describing Efforts to Align Financing Activities with GHG Targets</p> <p>Pre-declaration and Thematic – Climate: LGIM considers this vote to be significant as we pre-declared our intention to support. We continue to consider that decarbonisation of the banking sector and its clients is key to ensuring that the goals of the Paris Agreement are met. For (Against Management Recommendation) We generally support resolutions that seek additional disclosures on how they aim to manage their financing activities in line with their published targets. We believe detailed information on how a company intends to achieve the 2030 targets they have set and published to the market (the 'how' rather than the 'what', including activities and timelines) can further focus the board's attention on the steps and timeframe involved and provides assurance to stakeholders. The onus remains on the board to determine the activities and policies required to fulfil their own ambitions, rather than investors imposing restrictions on the company. 34.8% (Fail) LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was set to the company ahead of the meeting.</p>	<p>Do you have a vote you consider the seventh most significant for this fund?:</p> <ul style="list-style-type: none"> • Company name • Date of the Vote • Summary of the resolution • On which criteria have you assessed this vote to be 'seventh most significant'? • Approximate size of the fund's/ mandate's holding as a the date of the vote • How did you vote? • Rationale of the voting decision • Outcome of the vote • Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, Johnson & Johnson</p> <p>Resolution 1j - Elect Director Anne M. Mulcahy Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote). 0.830605 Against (against management recommendation) Joint Chair/CEO: A vote against is applied as LGIM expects companies not to recombine the roles of Board Chair and CEO without prior shareholder approval. 98.1% (Pass) LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p>
<p>Do you have a vote you consider the eighth most significant for this fund?:</p> <ul style="list-style-type: none"> • Company name • Date of the Vote • Summary of the resolution • On which criteria have you assessed this vote to be 'eighth most significant'? • Approximate size of the fund's/ mandate's holding as a the date of the vote • How did you vote? • Rationale of the voting decision • Outcome of the vote • Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, The Procter & Gamble Company</p> <p>Resolution 1n - Elect Director Patricia A. Woertz Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO. 0.724890 Against Independence: A vote against is applied as LGIM expects the Chair of the Committee to have served on the board for no more than 15 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background. N/A LGIM publicly communicates its vote instructions on its website with the rationale for all votes against</p>	<p>Do you have a vote you consider the ninth most significant for this fund?:</p> <ul style="list-style-type: none"> • Company name • Date of the Vote • Summary of the resolution • On which criteria have you assessed this vote to be 'ninth most significant'? • Approximate size of the fund's/ mandate's holding as a the date of the vote • How did you vote? • Rationale of the voting decision • Outcome of the vote • Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, Mastercard Incorporated</p> <p>Resolution 1a - Elect Director Merit E. Janow Thematic - Investor Rights and Engagement: This vote is considered significant due to the focus on the thematic area of engagement on investor rights. 0.641037 For (in line with management recommendation) Governance concerns: A vote in favour is applied as no significant concerns were highlighted. While we note the dual-class share structure with A and B shares outstanding, the Company has confirmed that the legacy B shares do not confer any rights and therefore do not negatively affect the rights attached to the commonly traded A shares. 98.1% (Pass) LGIM publicly communicates its vote instructions on its</p>

Fund Manager Product Response

Activity	L&G Life GPEN Future World Global Equity Index Fund GBP Hedged		
	<p>management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics</p>		<p>website the day after the company meeting, with a rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p>
<p>Do you have a vote you consider the tenth most significant for this fund?:</p> <ul style="list-style-type: none"> • Company name • Date of the Vote • Summary of the resolution • On which criteria have you assessed this vote to be 'tenth most significant'? • Approximate size of the fund's/ mandate's holding as a the date of the vote • How did you vote? • Rationale of the voting decision • Outcome of the vote • Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, Merck & Co., Inc.</p> <p>Resolution 1e - Elect Director Thomas H. Glocer Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote). 0.603852 Against (against management recommendation) Joint Chair/CEO: A vote against is applied as LGIM expects companies not to recombine the roles of Board Chair and CEO without prior shareholder approval. Joint Chair/CEO: A vote against is applied as LGIM expects companies to respond to a meaningful level of shareholder support requesting the company to implement an independent Board Chair. 0.945 LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p>	<p>Do you monitor the carbon emission levels or similar of the underlying companies in the fund?</p>	<p>Yes - the fund produces approximately 97.7 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 31 December 2023</p>
<p>What is the target turnover rate for the portfolio?</p>		<p>What was the actual turnover rate over the last 12 months?</p>	

Activity	Schroder Life Intermediated Diversified Growth Fund		
<p>Do you undertake Engagements for this fund?</p>	<p>Yes,</p>	<p>How many engagements have you had with companies in the past 12 months?</p>	<p>1402</p>
<p>How many engagements were made regarding environmental topics?</p>		<p>How many engagements were made regarding governance topics?</p>	
<p>How many engagements were made regarding social topics?</p>		<p>How many engagements were made regarding other issues?</p>	<p>37</p>
<p>Which form of engagement is most representative of the approach taken for this fund over the last 12 months:</p> <ul style="list-style-type: none"> • Sending standardised letters to companies • Sending bespoke letters to companies • Standard period engagement with companies • Active private engagement on specific issues • Active public engagement on specific issues 	<p>N/A</p>	<p>Please discuss some of the key engagements and outcomes from the last 12 months.</p>	<p>Ecora Resources Topic: Environment – Climate Change Rationale: We have selected climate change as one of our engagement blueprint themes as we believe that companies urgently need to transform their business models to collectively avoid the most catastrophic effects of climate change on people and the planet, and adapt to future temperature rises. Furthermore, as a long-term active investor, we seek constructive and collaborative engagement that is dedicated to supporting companies' climate transition to protect and</p>

Fund Manager Product Response



Activity	Schroder Life Intermediated Diversified Growth Fund		
			<p>improve shareholder value. One key areas of focus for our climate engagements is climate alignment in particular decarbonising and minimising. Our priority asks are for holdings to set long-, medium- and short-term science-based targets, covering Scope 1, 2 and relevant Scope 3 greenhouse gas emissions. We engaged with Ecora Resources, a UK-listed small cap royalty and streaming company, which provides capital to the mining sector across diversified commodities. We encouraged them to set emissions reduction targets for scopes 1, 2 and 3 and we introduced the company to the Science-Based Target initiative's (SBTi) small and medium-sized enterprise (SME) framework. This engagement is alignment with UN Sustainable Development Goal 13.</p> <p>What you have done: We began to engage with Ecora Resources on climate change in 2022, encouraging them to set emissions reduction targets for scopes 1, 2 and 3. The UK small and mid-cap team, together with sustainability colleagues, first met with Ecora Resources' management in November 2022. We engaged with the company across a range of climate issues including offsets their ESG screening process, sustainability targets in remuneration and in particular setting science-based targets. We introduced the company to the Science-Based Target initiative's (SBTi) small and medium-sized enterprise (SME) framework. As a company with only 14 employees, this option allowed Ecora to overcome capacity constraints, whilst allowing it to set an industry-standard science-based target. Initially there were concerns over the suitability of this pathway as a royalty company since Financial Institutions are exempt from the SME route. However, we were able to provide an example of a precious metals streaming company peer which had a validated goal via this route. After this meeting, the company agreed to discuss and consider if this could be a viable next step for them.</p> <p>Outcomes: We were pleased to see that in March 2023 Ecora Resources had their near-term goal validated: they have set emission reduction targets that are aligned with the Paris Agreement's goal of limiting global warming to 1.5°C which asks for GHG emissions to peak before 2025 and decline by a minimum of 43% by 2030. Specifically, the company has committed to reducing scope 1 and scope 2 emissions by 46%, by 2030, from a 2019 base year, and to measure and reduce its scope 3 emissions through engagement with its operating partners. As an additional objective, the company has committed to maintaining carbon neutrality regarding their scope 1, 2 and upstream scope 3 emissions. We would consider this to be an initially successful engagement and, as shareholders, plan to continue to engage with the company to promote best practice going forward and to monitor progress. One of our long-term desired outcomes of climate engagement is robust governance and oversight of climate-related risks, thus Ecora Resources setting Science Based Targets and having them validate is a great step towards this.</p>
Do you engage in voting for this fund?	Yes,	Do you conduct your own votes?	As active owners, we recognise our responsibility to make considered use of voting rights. We therefore vote on all resolutions at all AGMs/EGMs globally unless we are restricted from doing so (e.g. as a result of share blocking).

Fund Manager Product Response

Activity	Schroder Life Intermediated Diversified Growth Fund		
<p>Do you use a third party to vote on your behalf? If Yes, please provide the details of your provider and any comments</p>	<p>Institutional Shareholder Services (ISS) act as our one service provider for the processing of all proxy votes in all markets. ISS delivers vote processing through its Internet-based platform Proxy Exchange. Schroders receives recommendations from ISS in line with our own bespoke guidelines, in addition, we receive ISS's Benchmark research. This is complemented with analysis by our in house ESG specialists and where appropriate with reference to financial analysts and portfolio managers.</p> <p>Institutional Shareholder Services (ISS)</p> <p>Institutional Shareholder Services (ISS) act as our one service provider for the processing of all proxy votes in all markets. ISS delivers vote processing through its Internet-based platform Proxy Exchange. Schroders receives recommendations from ISS in line with our own bespoke guidelines, in addition, we receive ISS's Benchmark research. This is complemented with analysis by our in house ESG specialists and where appropriate with reference to financial analysts and portfolio managers.</p>	<p>How many votes were proposed across the underlying companies in the fund?</p>	<p>14227</p>
<p>How many times did you vote in favour of management?</p>	<p>11889</p>	<p>How many times did you vote against management?</p>	<p>1462</p>
<p>How many votes did you abstain from?</p>	<p>60</p>	<p>Do you have a vote you consider the most significant for this fund?:</p> <ul style="list-style-type: none"> • Company name • Date of the Vote • Summary of the resolution • On which criteria have you assessed this vote to be 'most significant'? • Approximate size of the fund's/ mandate's holding as a the date of the vote • How did you vote? • Rationale of the voting decision • Outcome of the vote • Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes,</p> <p>Metro Inc. 2023-01-24 SP 1: Adopt Near and Long-Term Science-Based Greenhouse Gas Emissions Reduction Targets Environmental 0.0001 For The company has been asked to report near and long-term greenhouse gas emission targets (GHG). We are keen to see the company develop their emission reduction targets to help shareholders better understand their net zero transition progress. FAIL We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>
<p>Do you have a vote you consider the second most significant for this fund?:</p> <ul style="list-style-type: none"> • Company name • Date of the Vote • Summary of the resolution • On which criteria have you assessed this vote to be 'second most significant'? • Approximate size of the fund's/ mandate's 	<p>Yes,</p> <p>Tyson Foods, Inc. 2023-01-09 Comply with World Health Organization Guidelines on Antimicrobial Use Throughout Supply Chains Yes 0.0005 For</p>	<p>Do you have a vote you consider the third most significant for this fund?:</p> <ul style="list-style-type: none"> • Company name • Date of the Vote • Summary of the resolution • On which criteria have you assessed this vote to be 'third most significant'? • Approximate size of the fund's/ mandate's 	<p>Yes,</p> <p>Apple Inc. 2023-03-10 Report on Median Gender/Racial Pay Gap Social 0.005 For Shareholders could benefit from the median pay gap</p>

Fund Manager Product Response

Activity	Schroder Life Intermediated Diversified Growth Fund		
<ul style="list-style-type: none"> holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Whilst we recognize the Company's efforts to address use of antibiotics, we also think following the WHO principles position the Company as leaders in regards to best practice around this issue.</p> <p>FAIL</p> <p>We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>	<ul style="list-style-type: none"> holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>statistics that would allow them to compare and measure the progress of the company's diversity and inclusion initiatives.</p> <p>FAIL</p> <p>We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>
<p>Do you have a vote you consider the fourth most significant for this fund?:</p> <ul style="list-style-type: none"> Company name Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'fourth most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes,</p> <p>JPMorgan Chase & Co. 2023-05-16 Report on Climate Transition Plan Describing Efforts to Align Financing Activities with GHG Targets Environmental 0.0016</p> <p>For The company is asked to produce a report disclosing how it intends to align its financing activities with its 2030 sectoral GHG emission reduction targets. We welcome additional disclosures that help better understand how the company is implementing its climate strategy. We believe that how we have voted is in the best financial interest of our clients' investments.</p> <p>FAIL</p> <p>We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>	<p>Do you have a vote you consider the fifth most significant for this fund?:</p> <ul style="list-style-type: none"> Company name Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'fifth most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes,</p> <p>Amazon.com, Inc. 2023-05-24 Report on Efforts to Reduce Plastic Use Environmental 0.004</p> <p>For A vote for this proposal is warranted as we believe that the Company should be making meaningful steps towards eliminating use of plastic within the Company and its operations. More disclosure would enable shareholders to have a more comprehensive understanding of progress. We believe how we have voted is in the best financial interests of our clients' investments.</p> <p>FAIL</p> <p>We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>
<p>Do you have a vote you consider the sixth most significant for this fund?:</p> <ul style="list-style-type: none"> Company name Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'sixth most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes,</p> <p>Alphabet Inc. 2023-06-02 Report on Framework to Assess Company Lobbying Alignment with Climate Goals</p> <p>E&S Blended For Shareholders would benefit from additional disclosure on how the company's lobbying activities align to its climate goals and how it addresses any misalignment with its trade associations and other indirect lobbying activities.</p> <p>FAIL</p> <p>We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>	<p>Do you have a vote you consider the seventh most significant for this fund?:</p> <ul style="list-style-type: none"> Company name Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'seventh most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes,</p> <p>Jazz Pharmaceuticals plc 2023-08-03 Elect Director Rick E. Winningham Director Election 0.0001</p> <p>Against Climate: Behind peers on climate risk management and oversight, we believe the way in which we have voted is in the best financial interests of our clients investments.</p> <p>PASS</p> <p>We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>
<p>Do you have a vote you consider the eighth most significant for this fund?:</p> <ul style="list-style-type: none"> Company name 	<p>Yes,</p> <p>Oracle Corporation 2023-11-15</p>	<p>Do you have a vote you consider the ninth most significant for this fund?:</p> <ul style="list-style-type: none"> Company name 	<p>Yes,</p> <p>Fortescue Ltd. 2023-11-21</p>

Fund Manager Product Response

Activity	Schroder Life Intermediated Diversified Growth Fund		
<ul style="list-style-type: none"> Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'eighth most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Report on Median and Adjusted Gender/Racial Pay Gaps Social 0.0005 For Shareholders could benefit from the median pay gap statistics that would allow them to compare and measure the progress of the company's diversity and inclusion initiatives, and how it is positioning itself to realise the benefits of a diverse workforce. We believe that how we have voted is in the best financial interest of our clients' investments. FAIL We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>	<ul style="list-style-type: none"> Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'ninth most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Remuneration Report Compensation 0.0001 Against Excessive discretion applied in recent years. Additionally we are concerned with the quantum of remuneration linked to 'strategic' goals and targets which are open to interpretation and are not guaranteed to create shareholder value. We would prefer the reward for such move to be triggered by financial outcomes (e.g. referencing ROCE or NTA growth). FAIL We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>
<p>Do you have a vote you consider the tenth most significant for this fund?:</p> <ul style="list-style-type: none"> Company name Date of the Vote Summary of the resolution On which criteria have you assessed this vote to be 'tenth most significant'? Approximate size of the fund's/ mandate's holding as a the date of the vote How did you vote? Rationale of the voting decision Outcome of the vote Where you voted against management, did you communicate your intent to the company ahead of the vote? 	<p>Yes, Microsoft Corporation 2023-12-07 Report on Risks of Operating in Countries with Significant Human Rights Concerns Social 0.008 For Shareholders would benefit from further disclosure on how the company mitigates risks in markets in which it operates where there are significant human rights concerns. We believe how we have voted is in the best financial interests of our clients' investments. FAIL We may tell the company of our intention to vote against the recommendations of the board before voting, in particular if we are large shareholders or if we have an active engagement on the issue. We always inform companies after voting against any of the board's recommendations.</p>	<p>Do you monitor the carbon emission levels or similar of the underlying companies in the fund?</p>	<p>Our approach to sustainability in multi-asset considers both a top-down view when allocating to asset classes and a bottom-up one when selecting securities. We monitor portfolio-level climate metrics using our central ESG tools, we have the capacity to look through exposures and consider drivers of emissions levels and can engage with the underlying manager where we deem it necessary. It is our underlying specialist equity, fixed income and alternatives teams within Schroders who are responsible for the routine monitoring the carbon emissions levels of the underlying companies we have allocated capital to.</p>
<p>What is the target turnover rate for the portfolio?</p>			<p>What was the actual turnover rate over the last 12 months? 119.77</p>

Important Information

Mobius Life Limited (Mobius Life) has prepared this report for professional advisers and institutional investors only. The purpose of this report is to provide information on Mobius Life's own products and services and nothing in this presentation, or any supporting material, should be regarded as a personal recommendation. This report is not intended for onward transmission.

The value of investments, and the income from them, may go down as well as up and investors may not get back the amount originally invested. Where an investment is denominated in a currency other than sterling, changes in exchange rates between currencies may cause investment values or income to rise or fall. Past performance should not be seen as a reliable indicator of future results. Any past performance quoted is based on dealing valuations.

Within a fund, the asset allocations and choice of asset managers are at the discretion of Mobius Life and may change without notification to the investor.

Where a fund is invested with another Life Company by means of a reinsurance arrangement, Mobius Life monitors the way the reinsurer manages its business, but does not guarantee the solvency of the reinsurer, so the risk of default by the reinsurer is borne by policyholders who invest in the relevant fund(s).

A Liability Driven Investment (LDI) is a specialist fund that uses sophisticated techniques to meet its objective. An LDI fund may invest in a range of assets such as derivatives, swaps and bonds which individually may have a high degree of risk, be difficult to sell in stressed markets and/or be unregulated by the Financial Conduct Authority. Leverage is used as part of the management of an LDI fund, this can increase the overall volatility of the fund and any events that adversely affect the value of an investment would be magnified to the extent that leverage is employed.

All information is sourced to Mobius Life unless otherwise stated.

Mobius Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Mobius Life Administration Services is not authorised or regulated.

Mobius Life Limited (Registered No. 3104978) and Mobius Life Administration Services (Registered No. 5754821) are registered in England and Wales at: 3rd Floor, 20 Gresham Street, London EC2V 7JE.



WINNER

Institutional Investment
Platform Provider
of the Year



WINNER

Institutional Investment
Platform Provider of the Year
Mobius Life



WINNER

Institutional Investment
Platform Provider of the Year
Mobius Life



WINNER

Institutional Investment
Platform Provider of the Year
Mobius Life

