

Samsung Electronics Manufacturing (UK) Limited Pension and Life Assurance Scheme - IS0008656

ESG REPORT – 05-Apr-2024



Scheme: Samsung Electronics Manufacturing (UK) Limited Pension and Life Assurance Scheme - IS0008656

Statement Date: 05-April-2024

| Fund | Value (£) | % Holding |
|---|--------------|-----------|
| CT LDI Real Dynamic LDI Fund | 8,783,006.11 | 33.27% |
| CT LDI Nominal Dynamic LDI Fund | 2,729,092.04 | 10.34% |
| Ninety One Global Total Return Credit Fund | 2,676,508.51 | 10.14% |
| L&G Life AF Over 15 Years Gilt Index Fund | 2,917,414.08 | 11.05% |
| M&G Total Return Credit Investment Fund | 2,704,897.40 | 10.25% |
| Nordea 1 – GBP Diversified Return Fund | 991,103.32 | 3.75% |
| L&G Life BJ Active Corporate Bond - Over 10 Year - Fund | 2,829,770.94 | 10.72% |
| L&G Life HC Over 15 year Index-linked Gilts Index Fund | 2,770,033.54 | 10.49% |

| Fund | Fund Manager ESG Credentials | Fund ESG Credentials | |
|---|------------------------------|----------------------|---------------------------|
| | Data Provided by FM as at | % Qs answered | Data Provided by FM as at |
| L&G Life HC Over 15 year Index-linked Gilts Index Fund | 31/03/2024 | 97 | 31/03/2024 |
| Nordea 1 – GBP Diversified Return Fund | 31/03/2024 | 99 | 31/03/2024 |
| L&G Life BJ Active Corporate Bond - Over 10 Year - Fund | 31/03/2024 | 97 | 31/03/2024 |
| M&G Total Return Credit Investment Fund | 31/03/2024 | 95 | 31/03/2024 |
| L&G Life AF Over 15 Years Gilt Index Fund | 31/03/2024 | 97 | 31/03/2024 |
| Ninety One Global Total Return Credit Fund | 31/03/2024 | 95 | 31/03/2024 |
| CT LDI Nominal Dynamic LDI Fund | 31/03/2024 | 90 | 31/03/2024 |
| CT LDI Real Dynamic LDI Fund | 31/03/2024 | 90 | 31/03/2024 |

Disclaimer:

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Fund Manager Business Response

| Questions | Legal and General (LGIM) | | |
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| <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 from Investment Stewardship, who overlap on these groups.</p> |
| <p>Do you have a firm ESG rating?</p> | <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> | <p>Do you have a dedicated team that considers ESG and Climate Change related factors?</p> | <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> |
| <p>Please provide your UNPRI survey scores</p> | | <p>Do you rely on any third parties to provide ESG and Climate Change related analysis/research?</p> | <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</p> |

Fund Manager Business Response

| Questions | Legal and General (LGIM) | | |
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| | | | 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. |
| 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 executive team, our Senior HR team, LEGIT (Legal & General Inclusion team) and L&G's Group Diversity and Inclusion team.</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> |
| 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 | Nordea | | |
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| <p>Do you have an ESG policy that is integrated into the investment process?</p> | <p>Yes</p> <p>Under the guidance of our Responsible Investment Committee (RIC), chaired by Nordea Asset Management's (NAM) CEO, we have developed a corporate-wide Responsible Investments (RI) policy and various RI-related procedures and investment products. These underpin our comprehensive Responsible Investment Framework. NAM's Responsible Investment Framework comprises a wide range of RI approaches. Some are decided and deployed at the corporate level – "overlays" – while others are product-specific and apply to solutions with a stronger ESG focus.</p> <p>The corporate "overlays" apply to all funds managed by NAM and include the following:</p> <ul style="list-style-type: none"> - Active Ownership - Corporate-Level Exclusion List - Norms-Based Screening - Sustainability Risk Integration <p>All of our strategies are subject to minimum sustainability-related eligibility criteria.</p> <p>Please find more details below:</p> <p>Active Ownership</p> <p>Active ownership is a central component of our corporate-wide overlays. Being an active owner is of paramount importance to NAM. We believe this is a powerful way to protect shareholder value, enhance long-term returns and foster positive change. We do this by exercising our formal voting rights as well as engaging with companies and encouraging them to improve their management systems and ESG performance.</p> <p>Corporate Level Exclusion List</p> <p>While engagement is always NAM's preferred approach, we do believe that there are activities and types of behaviour that cannot be reconciled with our mission of delivering Returns and Responsibility. In these cases, we have made a corporate-level decision to exclude certain stocks, sectors, and practices across our entire fund range. For example, NAM does not invest in companies active in the production of illegal or nuclear weapons, including cluster munitions and anti-personnel mines.</p> <p>Norms-based screening</p> <p>As stated in our RI Policy, all our funds (including those managed by external boutiques) are subject to a regular norms-based screening which identifies companies that are allegedly involved in breaches of, or controversies around, international law and norms on environmental protection, human rights, labour standards and anti-corruption. Examples</p> | <p>Are Senior Management accountable for ESG or Climate Change risks?</p> | <p>Yes</p> <p>Board and management oversight</p> <p>At NAM, the commitment to climate-resilient investments comes from the top. The Board oversees the strategic direction and reviews the development of our ESG and climate policies, and is updated at least annually on their implementation.</p> <p>ESG Committee</p> <p>NAM's ESG Committee serves as highest decision-making body of Responsible Investment within NAM. It aims ensure strong ESG governance. It has mandate to drive NAM's responsible investment (RI) and climate commitments, including but not limited to approving and overseeing our RI Policy, as well as our climate and ESG methodologies and principles.</p> <p>The committee is composed of selected Senior Executive Managers (SEM) members, the head of Responsible Investments and is chaired by NAM's CEO. NAM's Governance team acts as a driver for the ESG Committee.</p> <p>Responsible Investment Committee (RIC)</p> <p>Our Responsible Investment Committee (RIC), which is comprised of the NAM CEO and Senior NAM executives, ensures compliance with our RI Policy by monitoring engagements and deciding on the level of engagement in companies that violate international norms or companies where an engagement is deemed relevant for other reasons. Additionally, RIC will also submit recommendations on companies to be included/excluded from the Exclusion List (decision is taken by the CIO's).</p> <p>The RI Committee acts on behalf of all actively managed funds. Day-to-day management of RI issues is handled by the RI team.</p> <p>ESG integration</p> <p>The Heads of Investment Boutiques are responsible for integrating ESG risks, including risks arising from climate change, into the investment analysis and decisions. Various resources are available for investment teams to monitor climate risks and opportunities in the portfolios, including a climate dashboard in regular risk reports. Climate is a key focus area for the Responsible Investment (RI) Team. Climate-focused workshops for investment teams and other functions are regularly conducted to increase knowledge and awareness of climate issues, and the analysis of climate-related investment risks and opportunities is an important part of the product development work. Our current restrictions can be found in Nordea Asset Management's Responsible Investment Policy - available here: https://www.nordea.lu/documents/esg--ri-policy/ESG-RI-PL_eng_INT.pdf</p> |

| Questions | Nordea | | |
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| | <p>of such norms and standards include the UN Global Compact and the OECD Guidelines for Multinationals. Our RI Policy provides a list of the main international norms and conventions that our investments adhere to. NAM receives alerts from ISS ESG on an ongoing basis in case there are changes to the assessment to any of our holdings.</p> <p>Sustainability Risk Integration</p> <p>NAM aims to take returns with responsibility to a new level. Because sustainability issues are an increasing source of risk and opportunity, we seek to integrate sustainability considerations into all our investment solutions with firm-level elements applicable to all our holdings. Every investment boutique has access to NAM's proprietary ESG Model and ESG analysis from the RI team, as well as ESG data from external data providers – all via our proprietary ESG data platform. NAM's proprietary ESG data platform, covering more than 120,000 securities, aggregates information from multiple sources and supports both our investment analysts and our RI specialists. This ESG data, which includes internally generated ESG scoring, is shared with all our investment teams. The investment teams use this data to meet their ESG KPIs, as well as their financial performance targets.</p> <p>Our RI Policy was first introduced in 2007 and is applicable to all of our actively managed funds.</p> <p>As part of our Responsible Investment (RI) Policy, all our actively managed funds are subject to an annual norms-based screening. The screening is used to identify listed companies allegedly involved in breaches of international law, and norms on environmental protection, human rights, labor standards and anti-corruption. Examples of such norms and standards include the UN Global Compact and the OECD Guidelines for Multinationals.</p> <p>The policy also includes clear positions regarding the operation of our investee companies in line with our commitment to the UN-supported PRI and in observance of existing laws and regulations, as well as standards for sound environmental, social and governance performance. The positions are regarding illegal and nuclear weapons, certain fossil fuels and natural resources, climate change, corruption, human rights, water management, business activities in conflict areas, and investments in countries under international sanctions.</p> <p>In addition, the policy defines guidelines with respect to stewardship and active ownership. Nordea Asset Management's (NAM) ownership activities are aimed at promoting sustained profitability and risk management in portfolio companies in order to protect shareholder value and enhance long-term returns. Our active ownership tools include voting, attending Annual General Meetings, representation on nomination committees and engagement with companies.</p> | | |

Fund Manager Business Response

| Questions | Nordea | | |
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| | <p>In June 2024, our RI Policy was updated, to include a detailed explanation of our engagement escalation process and tools.</p> <p>The updated RI Policy report, includes:</p> <p>A description of the different tools available to escalate an engagement;</p> <p>An explanation of the different phases of the process: escalation, quarantine and exclusion;</p> <p>A very clear and comprehensive visual scheme of the entire process, including a timeline of the process.</p> <p>NAM's Responsible Investment (RI) policy is publicly available here: https://www.nordea.lu/documents/esg--ri-policy/ESG-RI-PL_eng_INT.pdf</p> | | |
| Do you have a firm ESG rating? | <p>Yes</p> <p>Over the years our RI team has been recognised for its work in the field. The team has received awards from several external entities such as Environmental Finance and the London-based Magazine Capital Finance International (CFI). In the Environmental Finance Company Awards 2023, NAM's Methane engagement campaign was awarded the best pollution reduction initiative of the year (refer to the appendix for more information about this engagement). CFI has awarded Nordea Asset Management "Best ESG Investment Process in Europe" for six consecutive years (2014-2019) and "Best ESG Team in Europe" for three consecutive years (2021-2023) . NAM received the FN Asset Management Awards 2021 in the category "ESG initiative of the Year" for the collaborative engagement we initiated and led against the construction of the Vung Ang 2 coal-fired power plant in Vietnam . More recently, NAM has been recognized by the Scope Awards 2023 in the category "ESG Complete Product Range" and our Emerging Stars Bond Strategy was awarded as the Best ESG Investment Fund Emerging Markets Debt.</p> | Do you have a dedicated team that considers ESG and Climate Change related factors? | <p>Yes</p> <p>Our RI efforts, in particular our ESG integration and engagement activities, are supported by NAM's in-house Responsible Investments team ("RI team"). Formed in 2009, Nordea's RI team is one of the largest and most experienced in Europe in terms of pure ESG analysts. It is composed of 23 analysts, who work closely with their respective portfolio management teams in Copenhagen, Stockholm, Oslo and Singapore. The RI team often participates in client meetings and ESG conferences to share their latest insights and findings. It also leads ESG training (e.g. climate workshops) both internally and for clients.</p> <p>The team maintains both a broad coverage and a particular focus on ESG-enhanced strategies (i.e. the ESG STARS and thematic strategies), working closely with their respective portfolio management teams. The team has developed proprietary models which are a key part of our internal ESG scoring system, however, the team's approach goes well beyond ESG scores, which are just a starting point.</p> <p>The team carries out its various functions in four clusters:</p> <p>Investment Stewardship: The Investment Stewardship team is responsible for NAM's engagement framework, including escalation procedures, proxy voting, firm-level PAI process as well as for driving the Responsible Investment Committee agenda.</p> <p>Climate & Nature: The Climate & Nature team maintains focused expertise and analysis of climate change and biodiversity factors and policies, implementation, engagement campaigns and reporting (e.g. Task Force on Climate-related Financial Disclosures (TCFD) recommendations).</p> <p>Sustainability Research: The Sustainability Research team carries out company and sector specific ESG research and engagement for NAM's ESG funds, as well as ESG product development. This includes our proprietary ESG scoring, which is an integral part of our ESG-enhanced strategies such as the ESG STARS funds.</p> <p>ESG Quant: The ESG Quant team develops and maintains NAM's proprietary ESG scoring model and platform, as well as other advanced applications of ESG data.</p> |
| Please provide your UNPRI survey scores | <p>PRI has given our RI strategy and governance framework a top score of A+ for 6 consecutive years (2015-2020). In 2021, our Investment & Stewardship policy received a rating of 5-stars (highest possible score) and more recently, in 2023, we have been awarded with 5-stars (highest possible score) in the Policy, Governance and Strategy (PGS) module (previously Investment and Stewardship Policy) which aims to capture signatories' overall approach to responsible investment, including key themes that are applicable to most asset classes.</p> | Do you rely on any third parties to provide ESG and Climate Change related analysis/research? | <p>Yes</p> <p>While we emphasize our internal research capabilities, Nordea's in-house Responsible Investment team underpins our approach with externally sourced ESG research and ratings. Some of our most used partners include the following:</p> |

Fund Manager Business Response

| Questions | Nordea | | |
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| | | | <ul style="list-style-type: none"> - MSCI ESG - RepRisk - TruValue Labs - Bloomberg - ISS Global - CDP - Upright - Clarity AI - Impact-cubed - Maplecroft <p>- NGO's (WWF, Amnesty International, Transparency International, Greenpeace, SwedWatch, DanWatch).</p> <p>We evaluate all our service providers regularly. However, it is important to emphasize that the RI team is not dependent on any sole provider and any of our partners can be replaced if we feel a better service can be achieved elsewhere.</p> |
| <p>Do you have a Climate Change policy that is integrated into the investment process?</p> | <p>Yes</p> <p>Climate strategy and our commitment to net zero</p> <p>Climate change has been a strategic focus for NAM since we became a signatory to the UN-supported Principles for Responsible Investment (PRI) in 2007. In 2015, we implemented our first climate-related divestment from coal mining, and started analysing and disclosing the carbon footprint of our ESG STARS funds. In 2019, we publicly committed to aligning our investment strategies with the objectives of the Paris Agreement, and in 2020 we cemented this commitment by becoming a founding member of the Net Zero Asset Managers (NZAM) initiative, a global coalition of asset managers working for the achievement of net-zero greenhouse gas emissions by 2050. In addition, during 2020, we helped co-create the Net Zero Investment Framework (NZIF), a method for asset managers/owners to set climate targets consistent with the objectives of the Paris Agreement, and in November 2021, we released a set of additional climate targets, in line with NZIF guidance and our NZAM commitment. In 2023, we continued enhancing our climate capabilities by developing new tools that enable transition analytics at both the company and portfolio levels. Additionally, we extensively engaged with our highest carbon footprint contributors to ensure they are meeting our expectations regarding Paris alignment.</p> | <p>Do you create your own ESG or Climate Change related scores</p> | <p>Yes</p> <p>Leveraging more than a decade of ESG analysis NAM has developed proprietary scoring models which are implemented on our ESG data platform. The data platform aggregates information from multiple sources, supporting our analysts as they carry out in-depth research. This includes the alignment of company revenues to the EU Taxonomy and to the UN's SDGs. In addition to the ESG scoring model, the team has developed modules to collect, analyse and manage data on PAI, Sustainable Investments and Climate metrics. The data platform uses AI features and analyst-structured weights and formulas to generate ESG scores for more than 120,000 securities – almost full coverage of the main benchmark indices. Our automation of part of the process allows the team to provide the full research coverage we believe our strategies deserve while allowing time to dive deeper into more difficult cases. This results in internal scoring that is consistent, forward-looking and nuanced to reflect company actions rather than solely relying on third party scores, which must – by definition – be backward looking.</p> |

| Questions | Nordea | | |
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| | <p>Targets and metrics</p> <p>Our overarching long-term goal is to achieve net-zero emissions for all assets under management by 2050. Our short-and mid-term targets work towards this overall ambition, through complimentary top-down and bottom-up approaches: from an organisational wide target to reduce the weighted average carbon intensity (WACI) of investments; a set of portfolio-specific carbon footprint reduction targets, and a complimentary target to ensure individual companies are engaged to become 1.5°C aligned. To this end, we have also set a 2025 target to phase out investments in coal-related companies without plans to achieve a full exit from coal globally by 2040 (1).</p> <p>In practice, we expect our targets to be achieved through three mechanisms, which in order of priority are:</p> <p>Pushing current investee companies towards accelerated decarbonization. Active ownership is a core pillar of our climate strategy underpinning our investments, including the launch of our Climate Engagement strategy.</p> <p>Investing in companies that facilitate real-world decarbonization. A good example of this is our PAFF Policy, as well as our efforts to ensure our portfolio-level carbon footprint targets incentivise investment in decarbonisation leaders.</p> <p>Shifting portfolio allocation away from high-emitting companies and sectors. We restrict investments in sectors with a limited future in a decarbonised economy, and integrate the identification of negative emission outliers into the overall investment process.</p> <p>For more information about our portfolio level and issuer level targets, please refer to our latest annual Climate Report here: https://www.nordea.lu/documents/esg---climate-report/ESG-CR_eng_INT.pdf</p> <p>(1) We define coal-related companies as those that are involved in the mining for coal or use it for electricity generation. NAM already excludes companies with more than 10% of their revenues from coal production from all its portfolios, and applies our Paris-Aligned Fossil Fuel Policy or even stricter exclusion criteria to all portfolios designated ESG (currently app. 70% of NAM AuM).</p> | | |
| <p>Does your company have a policy on equality and diversity in the workplace?</p> | <p>Yes</p> <p>The NAM D&I policy is implemented as per June 2021. The purpose of the policy is to set out the principles for Diversity and Inclusion within Nordea Asset Management Holding AB ("NAM Holding") in its work to accelerate progress towards a</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>We strive to be transparent in regard to how we work and incorporate ESG in our responsible investment decisions and activities. We regularly report via our website, through our Responsible Investment Annual Report and through the PRI reporting framework. For our funds, we support standardized and integrated</p> |

| Questions | Nordea | | |
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| | <p>diverse, inclusive and equitable culture within NAM. The policy describes the scope, initiatives as well as the established overview of governance structure, roles and responsibilities within NAM to act according to the policy elements. Nordea Asset Management also follows the Nordea Diversity and Inclusion Policy. The policy consists of different group directives and guidelines. Diversity and Inclusion are incorporated in e.g. Nordea Recruitment Policy, Code of Conduct, Nordea Sustainability Policy and Directive on Promotion of Gender Balance. Nordea and NAM have overall diversity and inclusion KPIs and metrics, tracked yearly, bi-yearly and quarterly. Overall KPIs relate to gender balance (not one gender shall be represented more than 60% on all levels) and an overall inclusion score, measured through an internal employee engagement survey. In October 2022, the D&I policy was updated and a family-friendly part was included. The policy now includes standpoints to support employees before, during and after returning from parental leave. In 2023 the focus was on keeping momentum in the D&I initiatives already implemented such as being true to our recruitment policy with extensive D&I focus (inclusive job ad, screening criteria, D&I committee to approve candidates for leader positions), growing the established Employee Resource Group's, contribute to the industry by exchanging knowledge and best practices i.e. with the Diversity Project to accelerate progress in the asset management industry. Further, we continue to run our yearly cultural employee engagement survey as a data source to get the employees' insights about what can make NAM an even more inclusive and fair workplace. These inputs are informing the D&I priorities. In 2024, NAM continues to run all the established D&I initiatives. Some changes have been implemented in the D&I Committee to ensure better impact. With these changes, the recruiting leader is to be present the short list (2-4 candidates) for the D&I Committee and explain how they have ensured diversity and argue who they see as the preferred candidate. The D&I committee will then challenge and impact the final decision. Further, NAM has committed to be a co-founder of a European chapter of Diversity Project, called Diversity Project Europe. NAM's CIO, Kasper Elmgreen, has taken a seat in the advisory council and more employees are expected to be engaged in cross-company project groups to foster more diversity, equity and inclusion in the asset management industry.</p> | | <p>reporting, which incorporates material sustainability information with financial information. Our regular monthly fund factsheet incorporates both financial and ESG data. At firm level, we report via a variety of ESG-related materials.</p> <p>Please find weblinks to the main resources below.</p> <p>RI at NAM Nordea Asset Management - Annual Responsible Investment Report: https://www.nordea.lu/documents/esg---ri-annual-report/ESG-RI-AR_eng_INT.pdf</p> <p>Responsible Investment Microsite: https://www.nordea.lu/en/professional/responsible-investment/</p> <p>Nordea Responsible Investment Policy: https://www.nordea.lu/documents/esg--ri-policy/ESG-RI-PL_eng_INT.pdf</p> <p>Nordea Exclusion List: https://www.nordea.com/en/sustainability/sustainable-business/investments/exclusion-list/</p> <p>Corporate Governance and Active Ownership Nordea Corporate Governance Principles: https://www.nordea.lu/documents/corporate-governance-principles/CGP_eng_INT.pdf</p> <p>Nordea Engagement Policy: https://www.nordea.lu/documents/engagement-policy/EP_eng_INT.pdf</p> <p>Voting Portal: https://vds.issgovernance.com/vds/#/NzI0Nw==/</p> <p>SRD II 2023 Annual Report: https://www.nordea.lu/documents/srdii-annual-report/SRDII-AR_eng_INT.pdf</p> <p>Corporate Governance Activities Voting Season 2023 Report: https://www.nordea.lu/documents/esg-voting-report/ESG-VR_eng_INT.pdf</p> <p>Climate Climate Report: https://www.nordea.lu/documents/esg---climate-report/ESG-CR_eng_INT.pdf</p> <p>NAM Fossil Fuel Policy for sustainable funds: https://www.nordea.com/Images/35-381562/NAM-fossil-fuel-policy.pdf</p> |
| <p>Do ESG related factors get considered with respect to performance management of investment companies and funds?</p> | <p>Yes</p> <p>A key part of our process is the identification of financially material ESG issues – those which are likely to influence the financial performance of the company or a country. We weigh these issues flexibly, according to their materiality for the specific sector and geographical location. We use the materiality map of SASB as a guideline to determine materiality, but we supplement it with our own insight into the workings of the company. Both which issues we consider material and the weight we assign to them will vary by sector. A software company, for example, will have a relatively low environmental footprint, be dependent on skilled labour and intellectual property (social), and be vulnerable to data privacy regulations such as the GDPR (business ethics). A mining company, on the other hand, will have a high environmental footprint and will also need solid relations with its labour force (social). And exposure to universal risks such as climate change will also be different. Part of our ESG analysis is to</p> | <p>Are you signatories of the FRC UK Stewardship Code or equivalent?</p> | <p>Yes</p> <p>Nordea became a signatory of the UK Stewardship Code as of 7 September 2022, meeting the highest standards of disclosures and reporting in the UK. The UK Stewardship Code is available here: https://www.nordea.lu/documents/uk-stewardship-code/ESG-UK-SC_eng_GB.pdf</p> |



Fund Manager Business Response

| Questions | Nordea | | |
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| | <p>interact and engage with companies, through management meetings and systematic engagement. The outcome and knowledge of these activities flows into our assessment of the companies. Reputational risk and exposure to controversy is also something we consider at the company or country-specific level. Responsiveness to investor concerns, tone from the top, and company culture are important parts of the final evaluation. This allows us to produce forward-looking ESG scores that include the direction a company is moving in, dimensions that are not found in traditional external ESG ratings. We consider how a company's business aligns with the SDG's, whether the service or product the company offers contributes positively to society, how significant aligned activities are as a proportion of revenue, how much capex is directed into them, and whether they are a visible driver of growth. This is relevant both because the SDG's present large and durable business opportunities, and because SDG alignment – or the lack thereof – is an indicator of a company's material impact on the world around it. In other words, both how a company makes money and how it is run always matter.</p> | | |

| Questions | M&G Investments | | |
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| <p>Do you have an ESG policy that is integrated into the investment process?</p> | <p>Yes</p> <p>Our policy document sets out the Environmental, Social and Governance (ESG) investment policy relating to M&G Group Limited ('MGG') investment and asset management businesses and activities ('M&G Investments') excluding M&G Investments Southern Africa (MGSA) and ResponsAbility. The assets in scope are all the assets directly managed by M&G Investments on behalf of its clients, including the internal asset owner, whether or not they are held within funds with a specific ESG objective or promoting ESG characteristics.</p> | <p>Are Senior Management accountable for ESG or Climate Change risks?</p> | <p>Yes</p> <p>The Board is ultimately responsible for setting M&G's sustainability strategy and ESG values and principles. The Board delegates specific duties to sub-committees as follows: Reporting in the Annual Report and Accounts and any other material public documents in respect of climate change and ESG matters (for compliance with relevant regulations, legislation and standards) is included in the Audit Committee's terms of reference, available on our website. Assessment of ESG risk within the Group Risk Management Framework, including climate-related stress and scenario testing, the reporting of climate-related risk disclosures and provision of advice to the Board in setting M&G's ESG strategy, is included in the Risk Committee's terms of reference, available on our website. Responsibility for sustainability at an individual level is assigned to our Chief Financial Officer, who has previous experience in climate stress testing and sustainable impact investing.</p> |
| <p>Do you have a firm ESG rating?</p> | <p>MSCI ESG Score: A</p> | <p>Do you have a dedicated team that considers ESG and Climate Change related factors?</p> | <p>Yes</p> <p>The central ESG team at M&G Investments is the Stewardship & Sustainability (S&S) team, which currently comprises of about 28 M&G employees. The team was restructured under new leadership in last year. Additionally, there are numerous ESG specialists across the floor, embedded in investment teams. At M&G we believe that ESG integration should occur in all parts of our investment business and to reflect this everyone has an objective to this end. We look to continuously monitor S&S team resourcing levels to ensure the best quality of service is provided to clients. M&G will also ensure and make it the responsibility of all team members to keep up to date with the rapidly changing landscape of ESG to leverage resources effectively. The S&S team works collaboratively, both directly and via the analysts, to equip managers to make better-informed decisions, knowing the full spectrum of ESG risks that could impact their portfolios, as well as where these risks may be concentrated within certain issuers or holdings. By working in conjunction with the credit and equity analysts on ESG, the S&S team is able to ensure that ESG risks and opportunities are considered throughout the full investment process, as well as in the monitoring of companies.</p> |

Fund Manager Business Response

| Questions | M&G Investments | | |
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| Please provide your UNPRI survey scores | Please see our summary scorecard for 2023 in above image. The PRI has made reporting in 2024 voluntary for most investor signatories that reported publicly in 2023. After careful consideration, M&G Investments has decided to use this year to streamline our approach and focus on evolving our sustainability programs. Our 2023 scores are publicly available and have been deemed valid by the PRI. We will resume reporting next year. | Do you rely on any third parties to provide ESG and Climate Change related analysis/research? | Yes We have portal and data access with a number of ESG vendors, including MSCI, Bloomberg, ISS, Sustainalytics and other specialist advisers. In addition, we obtain ESG data through authorised aggregators or channels, including Bloomberg, Factset, Refinitiv Eikon, Dasseti and Aladdin. |
| Do you have a Climate Change policy that is integrated into the investment process? | Yes As a large investor in both public and private assets, our strategy is focused on positive real-world change, using the levers we have to support the climate transition and help our clients manage the risks and opportunities brought by climate change. This means taking action to align our investments so that they contribute to and thrive in a low-carbon world. From an investment perspective, we can influence decarbonisation through three key channels: – Investment strategies: Making changes to our investment portfolios – Stewardship: Engaging issuers to implement ambitious transition plans – Advocacy: Engaging with industry and policy makers Alongside portfolio decarbonisation, we can play an important role in helping to finance and enable climate solutions, to accelerate the transition. At M&G, we consider this a structural growth opportunity we are well placed to support, both in developed and emerging markets. Our stewardship approach is based on our belief that divestment does not have a direct impact on real-world emissions reductions. Our priority as an active, long-term investor is to encourage change through engagement and voting. | Do you create your own ESG or Climate Change related scores | Yes M&G Investments Corporate ESG Scorecard acknowledges the qualitative nature of many ESG considerations, and allows analysts to express their views in primarily qualitative terms, within the context of a structured and disciplined framework. The scorecard enables consideration of key ESG factors and comparison of management and performance by companies. The scorecard has been designed so as to provide a ranking of companies either on a total ESG basis or on any of the constituent parts of environmental, social or governance. The output is therefore separate scores for E, S, G, Climate and an overall ESG score. |
| Does your company have a policy on equality and diversity in the workplace? | Yes Diversity & Inclusion is a strategic objective. At all levels of the business we recognise the benefits of having a diverse team that feels valued and listened to. It helps us think and act differently, adopt new ideas and better relate to the needs of our customers. An inclusive environment makes us more accessible and ensures we attract, engage, promote and retain the best talent. We embrace our differences and remove barriers to inclusivity so everyone can be high performing and deliver results. | Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often? | Yes Our ESG related KPIs and non-financial and sustainability information statement can be found our 2023 Annual Report and Accounts (available upon request). Please refer to page 19 for the non-financial KPIS, pages 46 onwards for our position statement and pages 60-68 for details on principal risks including ESG risk in our Annual Report to see further details: https://www.mandg.com/~media/Files/M/MandG-Plc/documents/investors/2024/mg-plc-2023-annual-report-and-accounts.pdf We also publish our Annual Stewardship Report in our website: https://www.mandg.com/~media/Files/M/MandG-Plc/documents/mandg-investments/2024/mg-investments-annual-stewardship-report-2023.pdf We also publish fund-related information on our website such as Fund Monthly Reviews, annually updated product information in the prospectus, Annual ESG Criteria report for our SICAV funds classified as SFDR Articles 8 & 9. |
| Do ESG related factors get considered with respect to performance management of investment companies and funds? | Yes M&G believes that ESG factors can have a material impact on long-term investment outcomes. Our goal is to achieve the best possible risk- adjusted returns for our clients, taking into account all factors that influence investment performance. Consequently, ESG issues are integrated into investment decisions wherever they have a meaningful impact on risk or return. We apply this approach to ESG analysis across all of the asset classes and sectors in which we invest. Research and investment teams have access to internal proprietary ESG thematic research, as well as relevant data from other sources. They evaluate the impact and materiality of these ESG themes within the context of the industries and companies that they cover, with assistance from the | Are you signatories of the FRC UK Stewardship Code or equivalent? | Yes We do publish our Annual Stewardship Report prepared under the FRC UK Stewardship Code 2020, which highlights key activities from the previous year across asset classes such as equities, fixed income, property and infrastructure. We also provide an overview of our stewardship approach, which is reviewed annually, and specifically outlines how we adhere to the code in appendix of this report. https://www.mandg.com/~media/Files/M/MandG-Plc/documents/mandg-investments/2024/mg-investments-annual-stewardship-report-2023.pdf |

Fund Manager Business Response

| Questions | M&G Investments | | |
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| | <p>Stewardship & Sustainability team. Together, these teams deliver actionable investment research that includes ESG issues, insights and recommendations to fund managers for use within the investment decision-making and portfolio construction processes.</p> | | |

| Questions | Ninety One | | |
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| <p>Do you have an ESG policy that is integrated into the investment process?</p> | <p>Yes</p> <p>Our commitment and approach to stewardship is underpinned by our robust Stewardship Policy and Proxy voting guidelines. Ninety One applies its stewardship approach and principles across all the asset classes in which it invests, tailoring its stewardship efforts at the different stages of the investment cycle, depending on the opportunities and constraints of each asset class and the particular nature of the investment strategy.</p> <p>As an asset manager, Ninety One has carefully considered all global principles and we focus on the following core principles to guide our stewardship role in representing our client's ownership rights.</p> <p>Ninety One will support a long-term investment perspective by integrating, engaging, escalating and monitoring material ESG issues. Ninety One will exercise its ownership rights responsibly including engagement and voting rights. Ninety One will address internal governance of effective stewardship including conflicts of interest and potential obstacles. Ninety One will disclose how it discharges its stewardship duties through publicly available policies and reporting. Ninety One is, where appropriate, willing to act alongside other investors.</p> <p>Each investment team are responsible for managing their exposure to sustainability risks and opportunities within the portfolios they manage. Investment capabilities have developed and continue to develop high-quality integration approaches to identify and value sustainability risks. Due to inherent differences in investment philosophies, styles, asset classes and data, ESG integration requires different approaches. However, we seek high quality ESG integration</p> | <p>Are Senior Management accountable for ESG or Climate Change risks?</p> | <p>Yes</p> <p>Ninety One's management team is responsible for developing and implementing business strategy, under the direction of the Chief Executive Officer (CEO). This will include assessing and mitigating Ninety One's exposure to ESG and climate risks. One of Ninety One's strategic objectives is to ensure that sustainability is at the core of the business. Progress is reviewed against objectives identified by the Board under the firm's Invest, Advocate, Inhabit sustainability framework. Responsible objectives are formally set at the executive level annually with clear Key Performance Indicators (KPIs) for our Chief Executive Officer, Hendrik Du Toit.</p> |

Fund Manager Business Response

| Questions | Ninety One | | |
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| | standards across all of our strategies, ensuring the range of ESG risks and opportunities are assessed and priced for. | | |
| Do you have a firm ESG rating? | <p>Yes</p> <p>Ninety One has been a signatory to the PRI since 2008 and as a signatory, it is mandatory to report annually to the PRI on our responsible investment practices.</p> <p>Our latest PRI scores from the PRI Assessment Report 2023 are shown in the table below:</p> <p>PRI Assessment Module Star score (/5) Module score (/100)</p> <p>Policy Governance and Strategy 5 95</p> <p>Direct listed equity – active fundamental 4 84</p> <p>Direct fixed income – SSA 5 98</p> <p>Direct fixed income – corporate 5 98</p> <p>Direct fixed income – private debt 4 89</p> <p>Direct infrastructure 5 96</p> <p>Confidence building measures 4 70</p> <p>Source: PRI Assessment report.</p> <p>Past performance is not a guide to future performance.</p> | Do you have a dedicated team that considers ESG and Climate Change related factors? | <p>Yes</p> <p>ESG knowledge and expertise is held across a number of areas of the business.</p> <p>Ultimately, the investment teams have responsibility for managing sustainability risks and opportunities within their investment process through their integration frameworks. We place a big emphasis on ensuring that the investment teams have the appropriate knowledge, insights, data and tools so that the expertise is a truly integrated part of the investment process.</p> <p>The investment teams are supported by dedicated ESG specialists across our Sustainability team and Investment Risk team. We also have further expertise that we can draw upon from the portfolio managers managing our dedicated sustainability strategies and other sustainability specialists that are dedicated to individual investment teams.</p> <p>The Sustainability Committee oversees the wider sustainability ecosystem in the business. Ninety One’s firm-wide sustainability initiatives are overseen by the Chief Sustainability Officer, Nazmeera Moola. This includes investment integration, advocacy, corporate transition to net zero and developing and implementing efforts to mobilise dedicated funding for an inclusive net zero transition.</p> |

Fund Manager Business Response

| Questions | Ninety One | | |
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| | <p>We are pleased that our commitment to responsible investing and our continual efforts in deepening our integration processes have been reflected by our scores.</p> <p>These PRI assessment scores are based on our response within the PRI Public Transparency Report 2023.</p> <p>Please also refer to the following link which provides further information around the PRI scoring methodology: https://www.unpri.org/signatories/about-pri-assessment/3066.article</p> | | |
| Please provide your UNPRI survey scores | Please see our response to the previous question | Do you rely on any third parties to provide ESG and Climate Change related analysis/research? | <p>Yes</p> <p>The Sustainability team and Investment Risk team look to ensure that the business has appropriate access to ESG data, so that investment teams are equipped with the knowledge, research and tools to fully integrate ESG into their investment processes. The data that we have access to is used to support understanding of material information. We use a combination of proprietary and external research, which is integrated and considered in various ways depending on the investment team process for example through scorecards, through use of investment data platforms, and use in research reports.</p> <p>The primary ESG data sources that we make use of are: MSCI ESG, CDP (formerly Carbon Disclosure Project), ISS, RepRisk, Bloomberg, Clarity AI and our in-house investment data platform Jasmine.</p> |
| Do you have a Climate Change policy that is integrated into the investment process? | <p>Yes</p> <p>Our approach to assessing climate change sits within our Sustainability policy.</p> <p>We consider climate change as the biggest challenge confronting humanity in the current century. We therefore aim to put sustainability, with a focus on climate risk and transition, at the core of our business strategy.</p> <p>In our pursuit of net-zero global emissions to address climate change, we recognise that a range of critical ecological and human-related sustainability challenges require urgent action, and that participants in capital markets have an important role to play in addressing them.</p> <p>We wholeheartedly support the objectives of the Paris Agreement and investing that is aligned with the goal of net-zero emissions by 2050 or sooner. As a signatory to the Net Zero Asset Managers Initiative, we intend to decarbonise our operations (Scope 1, 2 & 3) over time and align our investment strategies with our pledge to net zero. We have sought to design net-zero targets for our investment teams aimed at driving real-world carbon reduction and allowing emerging markets to transition in a fair and inclusive manner.</p> | Do you create your own ESG or Climate Change related scores | <p>No</p> <p>While we don't apply firmwide proprietary ESG scores, 100% of our strategies integrate ESG. We do not rely on third-party scores or ratings, however, we make use of several external ESG data sources including MSCI ESG scores and carbon data to support these assessments and our understanding of material information.</p> <p>Some of our individual investment teams have internally developed an ESG scoring methodology, for example, within fixed income our EM Corporate Debt team monitor ESG factors within our detailed ESG sector scorecards. We analyze around 100 scoring criteria which allows us to score over 50 factors in the scorecard. We use a variety of information sources to populate the scores, including company meetings, Bloomberg, rating agency reports, company reports, reports from specialist ratings agencies such as MSCI ESG and RepRisk rating reports, alongside proprietary information. We also use proprietary information obtained from our own ESG surveys which ask companies in our investment universe for detailed information on ESG issues. Scores are allocated from 0-100 with 50 being neutral and 100 the highest score. Companies that do not disclose relevant ESG information will experience lower scores due to the lack of visibility.</p> |

Fund Manager Business Response

| Questions | Ninety One | | |
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| | <p>We have set the following target for our investments:</p> <p>At least 50% of the corporate emissions financed by Ninety One will be generated by companies with Paris-aligned science-based transition pathways by 2030.</p> <p>-The proportion of our corporate AUM covered by Paris-aligned science-based transition pathways will meet the SBTi requirements for Ninety One to obtain a verified SBTi. We calculate this requirement to be 56% of our corporate assets under management with science-based transition pathways by 2030.</p> <p>-In practice, we will be engaging actively with our highest emitters and largest holdings to maximise the proportion of our corporate AUM with science-based transition pathways.</p> <p>In general, as an asset manager we will:</p> <ol style="list-style-type: none"> 1. Develop ways to assess and measure the carbon exposure of companies in our portfolios. 2. Consider the impact of climate change when valuing companies through ESG integration strategies. 3. Engage with the largest corporate contributors to Ninety One's financed emissions to encourage them to address climate change by measuring, managing and reducing their real-world carbon footprints. | | |
| <p>Does your company have a policy on equality and diversity in the workplace?</p> | <p>Yes</p> <p>'Doing the right thing' is part of our cultural identity and underpins everything we do at Ninety One. We know that diversity and inclusion make great business sense. It is also about doing the right thing for our clients, shareholders, our people and the communities in which we operate.</p> <p>Equality policy</p> <p>At the core of our values is the respect for the dignity and worth of the individual. Our imperative is to attract and retain the best talent by providing a corporate environment where people from varying backgrounds can develop professionally and build a rewarding career. While there may be minor nuances between the laws of the different countries in which the Company operates, the concepts outlined in our Equality policy enshrine our global approach to the principles of equality, embracing diversity and doing the right thing.</p> <p>We want everyone to have the opportunity to build a successful career and to thrive in a collaborative work environment. In addition to our Equality policy, we have established our own set of diversity principles and created a</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>Transparent reporting and communication with clients and stakeholders are key features of our "sustainability with substance" approach. We believe that being transparent about our stewardship approach is important, and this is reflected in our reporting to clients. We publish several regular and bespoke reports, which include:</p> <p>Sustainability and Stewardship report</p> <p>This report includes progress on integration across the investment teams over the year, engagement details, advocacy work, voting data, case studies and market trends and is published annually covering the period from 1 April to 31 March. You can access the report via the following link: https://ninetyone.com/-/media/documents/sustainability/91-sustainability-and-stewardship-report-en.pdf</p> <p>PRI Transparency and Assessment reports</p> <p>As a signatory, it is mandatory to report annually on our responsible investment practices through the PRI Transparency report. Our latest PRI reports can be found on our website via the following link: https://ninetyone.com/-/media/documents/stewardship/91-pri-public-transparency-report-en.pdf</p> |

| Questions | Ninety One | |
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| | <p>framework for our ongoing journey that translates into four key areas of focus described below.</p> <p>Our Diversity Principles</p> <p>Our set of diversity principles, created in 2017, help define the framework for our on-going journey with regards to diversity and inclusion. These principles apply across the global business and incorporate key aspects of a number of more locally-based diversity and inclusion initiatives.</p> <ul style="list-style-type: none"> - In terms of diversity, we commit to zero variance in compensation on a like-for-like basis. - We will work proactively to rebalance our firm in line with the societies in which we operate. - We will measure and track progress annually. - Diversity forms part of the formal appraisal process (including a financial component) of all senior leaders and they are held accountable and responsible for ensuring change. - We believe in the importance and benefits of diversity and foster a culture that is supportive and inclusive of different perspectives and experiences. - As an active investment manager, diversity of thought and perspective is an essential component in developing our investment views. - As a global investment manager, diversity ensures that we represent the diversity of our global client base. - We are proud of our culture and our Diversity Principles sit within the context of our culture. In that sense, our commitment to diversity is fundamentally about 'doing the right thing'. - We foster a 'work ecosystem' that is flexible and responsive to the needs of all individuals and to that effect, we support flexible work arrangements where feasible. - We will work towards achieving our targets through concrete actions rather than employing quotas. <p>1. Commitment and accountability of our senior leadership team.</p> <p>The leaders of our business are committed to creating a more balanced organisation and are held accountable for making progress. This includes our executive management, and our CEO Hendrik du Toit.</p> <p>Ninety One became a signatory of the Women in Finance Charter in 2018 and committed to achieving a target of 30% women in senior leadership by 2023. When we signed up to</p> | <p>Task Force on Climate-related Financial Disclosures (TCFD)</p> <p>Ninety One formally pledged its support for the TCFD in September 2018 and this report sets out how we disclose our exposure to and management of climate risk, using the TCFD framework. Our TCFD report can be found on our website within our integrated annual report (pages 39-50)</p> <p>Online voting disclosure</p> <p>Voting decisions are disclosed publicly on a monthly basis on the Ninety One website and can be found on our website via the following link: https://ninetyone.com/en/united-states/how-we-think/investing-for-a-world-of-change/sustainable-investing/invest/proxy-voting-results</p> <p>Annual Impact Reports</p> <p>With regard to our sustainability-focused products, our Annual Impact Reports present significant developments throughout the year, including all environmental metrics for the portfolios and underlying holdings as well as engagement goals and progress towards those goals. See the following links for examples:</p> <p>Global Environment Impact Report: https://ninetyone.com/-/media/documents/impact-report/91-global-environment-impact-report-2022-en.pdf</p> <p>UK Sustainable Equity Impact Report: https://ninetyone.com/-/media/documents/sustainability-report/91-uk-sustainable-equity-fund-sustainability-report-en.pdf</p> <p>Quarterly Sustainability Reports</p> <p>For our non sustainability-focused products, our quarterly sustainability reports provide an outline of the key sustainability risks and opportunities and cover the investment team's approach to sustainability integration; key engagements; proxy voting activity; portfolio climate risk analysis and portfolio characteristics.</p> <p>Other sustainability disclosures</p> <p>We publish various sustainability disclosures on our website as per regulatory requirements i.e. SFDR disclosures.</p> |

Fund Manager Business Response

| Questions | Ninety One | | |
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| | <p>the Charter we had 26% female representation in our global senior leadership. In 2021 we met our target and we are now committed to proactively working towards a new target of 35% female representation in our senior leadership by 2024. Our senior executives pay is linked to the delivery of this target. For our 2022 reporting period we were pleased to report we now have 33% women in our global senior leadership.</p> <p>Alongside our senior leadership target, we strive for diverse representation on our boards. Our board of directors for Ninety One is comprised of 50% women and our global executive management team is 33% female.</p> <p>In our annual talent review process leaders are held accountable for managing diversity in their teams and building a diverse pipeline of talent. The data collected during this process is then analysed and presented to our business leaders, with a particular focus on diversity.</p> <p>2. Enabling change by embedding diversity in all our people decisions</p> <p>We have made diversity and inclusion a central consideration in all our decision making, especially when it comes to our people. We take a proactive approach to hiring, ensuring balanced and diversified shortlists and interview panels, and that our entry level recruitment creates a diverse pipeline of talent.</p> <p>We work with universities and support the following cross-industry initiatives to promote and attract diverse talent, including:</p> <p>'Investment 2020', which focuses on bringing diverse talent into all aspects of the asset management industry, including different socio-economic backgrounds.</p> <p>We work with 'Women Returners', whose mission is removing 'the career break penalty' for women who have taken an extended career break. By targeting this population we have the opportunity to increase gender diversity by providing opportunities for experienced and talented women to return to the industry.</p> <p>Ninety One has a generous family leave policy offering all expectant parents (including adoptive parents) six months full pay. This is available to all employees globally.</p> <p>We place a greater emphasis on productivity than presenteeism and actively encourage flexible working where appropriate.</p> | | |

Fund Manager Business Response

| Questions | Ninety One | | |
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| | <p>We are partnered with the 30% Club and Women Ahead to offer women across our global business an opportunity to be mentored by an external, seasoned business leader.</p> <p>We invested in diversity training that was designed to help all our employees become aware of their conscious and unconscious biases. The training was compulsory for all our employees because we believe that everyone shares a responsibility to recognise and remove barriers to inclusion. In this coming year we plan to build on this work, by working closely with our leaders to further explore this topic.</p> <p>To help build a diverse talent pipeline, diversity is a key consideration in all our leadership development training opportunities.</p> <p>3. Measuring our progress so we can challenge and change</p> <p>We monitor key diversity statistics, so we can measure our progress, and use this data to inform our ongoing diversity and inclusion efforts. We share this data with business leaders, including the heads of our investment capabilities, to empower them to effect change.</p> <p>4. Promoting an inclusive work environment</p> <p>Our employee networks are essential for creating an environment where everyone can be themselves.</p> | | |
| <p>Do ESG related factors get considered with respect to performance management of investment companies and funds?</p> | <p>Yes</p> <p>ESG risk reporting forms part of the monthly Investment Risk Committee (IRC), which oversees the governance of all aspects of investment risk. ESG risk reporting also forms part of the reporting to the Sustainability Committee which oversees the overall response by the business to its commitment to ESG integration, including the effectiveness of the risk component.</p> | <p>Are you signatories of the FRC UK Stewardship Code or equivalent?</p> | <p>Yes</p> <p>Ninety One is a signatory to the updated 2020 UK Stewardship Code.</p> <p>Please see the following link to the FRC website showing our name listed as one of the signatories: https://www.frc.org.uk/investors/uk-stewardship-code/uk-stewardship-code-signatories.</p> <p>The UK Stewardship Code 2020 is a substantial and ambitious revision to the 2012 edition of the Code. The new Code consists of 12 principles for asset managers and asset owners and sets high expectations of those investing money on behalf of UK savers and pensioners. Please refer to our latest Sustainability and Stewardship report for our response to the reporting requirements of the code.</p> |

Fund Manager Business Response

| Questions | Columbia Threadneedle Investments | | |
|---|---|--|---|
| Do you have an ESG policy that is integrated into the investment process? | Yes Yes | Are Senior Management accountable for ESG or Climate Change risks? | Yes Yes |
| Do you have a firm ESG rating? | Yes | Do you have a dedicated team that considers ESG and Climate Change related factors? | Yes Yes |
| Please provide your UNPRI survey scores | Strategy & Governance: A+ Listed Equity - Incorporation: A+ Listed Equity - Active Ownership: A+ Fixed Income - SSA: A Fixed Income - Corporate Non-Financial (New): A Fixed Income - Corporate Non-Financial: A Private Equity (New): A Property (New): B | Do you rely on any third parties to provide ESG and Climate Change related analysis/research? | Yes MSCI ESG: Our primary source for ESG data. MSCI ESG data and analysis is used to systematically screen client portfolios for ESG risks, identify priority companies for engagement and to inform company analysis. ISS: ISS supplies us with custom research based on our own in-house corporate governance guidelines (which are updated annually based on country-specific best practice standards). Research provided by ISS is used to inform our vote execution as well as company engagement. Broker Research: All members of the Responsible Investment team have access to broker research. The team uses this content to stay on top of market trends, identify companies for engagement and to inform company, market or topic specific research. Examples of Brokers with solid ESG offerings include Kepler Cheuvreux, Natixis, Societe Generale, HSBC and Morgan Stanley. Sustainalytics: Used for landmine and cluster munition screening. Bloomberg: Bloomberg terminals are used to perform qualitative as well as quantitative analysis on a multitude of topics. In particular, Bloomberg has proven useful for linking ESG with financial data to determine the materiality of particular ESG issues. Non-Governmental Organisations(NGO`s): Examples include Transparency International (anti-corruption), Oxfam, CERES and Human Rights Watch. Research provided by NGO`s is used to identify priority companies and identify priority companies for engagement. Other: Our research is also informed by our networks that may provide briefings and publications, including the UN PRI, International Corporate Governance Network and Asian Corporate Governance Association. |
| Do you have a Climate Change policy that is integrated into the investment process? | Yes Yes | Do you create your own ESG or Climate Change related scores | Yes Yes |
| Does your company have a policy on equality and diversity in the workplace? | Yes Yes | Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often? | Yes Yes - Quarterly and annually |
| Do ESG related factors get considered with respect to performance management of investment companies and funds? | Yes | Are you signatories of the FRC UK Stewardship Code or equivalent? | Yes Yes |

Fund Manager Product Response

| Activity | L&G Life HC Over 15 year Index-linked Gilts Index Fund | | |
|---|--|---|---|
| Do you undertake Engagements for this fund? | No, Gilt fund | How many engagements have you had with companies in the past 12 months? | |
| Do you engage in voting for this fund? | No, Gilt fund | 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 monitor the carbon emission levels or similar of the underlying companies in the fund? | Yes - the fund produces approximately 183.6 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 30 September 2023 | What was the actual turnover rate over the last 12 months? | |

| Activity | Nordea 1 – GBP Diversified Return Fund | | |
|--|---|--|---|
| Do you undertake Engagements for this fund? | Yes, | How many engagements have you had with companies in the past 12 months? | 120 |
| How many engagements were made regarding environmental topics? | 60 | How many engagements were made regarding governance topics? | 8 |
| How many engagements were made regarding social topics? | 41 | How many engagements were made regarding other issues? | 11 |
| 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 | Sending standardised letters to companies | Please discuss some of the key engagements and outcomes from the last 12 months. | Merck & Co Inc (US58933Y1055) Topic: Providing access to essential healthcare services and medicines and Equity issues in biopharma products. Overview Merck & Co., Inc. is a global pharmaceutical and life science company. Merck is renowned for its diverse portfolio spanning prescription medicine, vaccines, biologic therapies and animal health. The company is committed to advancing healthcare by delivering innovative solutions to address unmet medical needs. Background Spending on medicine continues to surpass the growth rate of OECD economies. On average, the pharmaceutical sector constitutes one-fifth of health spending in OECD countries. Notably, nine OECD nations contribute to over 80% of global sales in the pharmaceutical industry, with the United States alone representing 45% of this significant share. Global pharmaceutical drug pricing is a complex issue, characterized by country to country to country pricing framework and regulatory mechanism. Pharmaceutical companies argue that prices are necessary to fund extensive research and development efforts. The flipside of which is access to medications, placing financial burden on patients. Efforts to address this issue by encouraging transparency measures can strike a better balance between innovation and affordability. The Engagement Engaging with Merck represents an initial but crucial step in our efforts to improve the governance of access and transparency within the healthcare sector. This lays the foundation for a relationship that we anticipate will evolve over time, fostering a more accessible pharmaceutical products. Merck's sustainability efforts are organized across four key areas, with a recent expansion to include improved access to |

Fund Manager Product Response

| Activity | Nordea 1 – GBP Diversified Return Fund | | |
|---|--|---|--|
| | | | <p>health. For the first time, Merck reported reaching over 500 million people with their products, underscoring their access impact. The company Merck is furthering its ambition by increasing accountability by incorporating sustainability metrics, such as access to health, and employee metrics into remuneration structures. The alignment of ESG metrics with pay extends across executive leadership, management and the majority of employees. Additionally, Merck has set Science-based targets initiative (SBTi) and net-zero targets, showcasing a dedication to environmental responsibility. Outcome Specifically on access and affordability, Merck has reached two of its 3 goals on measurements on access to health. We encouraged the company to increase set a more ambitious target, which it seconded that a new target will be published in near future. The engagement also included discussion on how the firm manages its pricing strategy and balance patent expiry and accessibility. One of the challenges in this collaboration is navigating the balance between fostering innovation and ensuring affordability. This dynamic requires a nuanced understanding and a commitment to ongoing dialogue and collaboration with Merck.</p> |
| Do you engage in voting for this fund? | Yes, | Do you conduct your own votes? | <p>Yes. At NAM we take a global, aggregated voting approach. In addition to actively engaging with companies by voting at annual general meetings, we participate in nomination committees and maintain a regular dialogue with the companies in question. Our Corporate Governance Principles, reviewed on an yearly basis by Nordea Funds and NIFSA board, define how we act in corporate governance-related matters and set the rules for which strategies apply and how the voting of the shares owned by the funds shall take place. A Corporate Governance Committee has been set up in order to ensure appropriate handling of the corporate-governance matters, and the operational responsibility rests with the Corporate Governance Function (outside the Responsible Investment organization). The Corporate Governance team works closely together with the RI team and the Portfolio Managers to align the stewardship work on various ESG aspects. The RI team gives input on all proposals related to environmental and social issues, and provides an overview of industry-related issues affecting multiple companies.</p> |
| <p>Do you use a third party to vote on your behalf?</p> <p>If Yes, please provide the details of your provider and any comments</p> | <p>Yes.</p> <p>Proxy voting is supported by one external vendor to facilitate the voting and provide analytic input. NAM uses ISS for proxy voting, execution as well as research.</p> <p>In 2021 Institutional Shareholder Services and Nordic Investor Services – “ISS” and “NIS” have merged. The contrast in the services between these two vendors – ISS is a global player with international reach and practices, while NIS is a small niche player whose best practices are much in line with our own, gives us a broad palette of input which is very valuable in the evolution of our own Corporate Governance Principles. This setup has continued after the merger of ISS and NIS. During 2023, Glass Lewis was also added to this list of external vendors but is mainly used for analytic input.</p> | How many votes were proposed across the underlying companies in the fund? | 2066 |

Fund Manager Product Response

| Activity | Nordea 1 – GBP Diversified Return Fund | | |
|--|--|--|---|
| How many times did you vote in favour of management? | 1722 | How many times did you vote against management? | 344 |
| How many votes did you abstain from? | 51 | | |
| <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>Mastercard Incorporated 2023-06-27 Political Lobbying Disclosure (shareholder proposal) Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company. 1.52 FOR shareholder proposal We voted for the shareholder proposal as we believe additional disclosure of the company's direct and indirect lobbying-related expenditures would help shareholders better assess the risks and benefits associated with the company's participation in the public policy process. AGAINST We will share our concern with the Chairman of the Board.</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,</p> <p>Sonova Holdings AG 2023-06-12 Allow Shareholder Meetings to be Held in Virtual-Only Forma Yes 0.07 AGAINST management The company has not provided any rationale for this proposal other than that the Swiss law allows such possibility and does not elaborate on the circumstances under which virtual-only meetings would be held, as it is left on the board's discretion. Therefore, this proposal is likely to decrease meaningful exchange between the company and its shareholders. FOR We will share our concern with the Chairman of the Board.</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,</p> <p>eBay inc 2023-06-21 Reduce Ownership Threshold for Shareholders to Call Special Meeting to 10% (shareholder proposal) Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company. 1.24 FOR shareholder proposal We support the proposed 10 percent ownership threshold for shareholders to call a special meeting would enhance shareholders' ability to make use of the right, and the likelihood of abuse of the right is small. AGAINST No</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>The TJX Companies 2023-06-06 Report on assessing due diligence on human rights in supply chain (shareholder proposal) Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company. 0.8 FOR shareholder proposal Additional information regarding the processes the company uses to assess human rights impacts in its operations and supply chain would allow shareholders to better gauge how well TJX is managing human rights related risks. AGAINST We will share our concern with the Chairman of the Board.</p> |

| Activity | Nordea 1 – GBP Diversified Return Fund | | |
|--|---|--|---|
| <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>Comcast Corporation 2023-06-07 Report on GHG Emissions Reduction Targets Aligned with the Paris Agreement Goal (shareholder proposal) Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company. 1.44 FOR shareholder proposal We believe that additional information on the company's efforts to reduce its carbon footprint and align its operations with Paris Agreement goals would allow investors to better understand how the company is managing its transition to a low carbon economy and climate change-related risks. AGAINST We will share our concern with the Chairman of the Board.</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 2023-06-02 Report on Lobbying Payments and Policy, Report on Framework to Assess Company Lobbying Alignment with Climate Goals etc.</p> <p>Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company. AGAINST management At the Alphabet AGM we supported a number of shareholder proposals, besides Report on managing risks related to data collection, privacy and security, such as Report on physical risks of climate change, Report on climate lobbying and Report on steps to improve racial and gender Board diversity. Management voting recommendations was against on all these proposals. The dominant position of Google, its impact on society and integrity of individuals is very important for us as investors. AGAINST No</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>Meta platforms 2023-05-31 Elect Director Mark Zuckerberg Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company. 1.19 AGAINST management We voted against the election of Mark Zuckerberg since significant risks to shareholders stemming from severe ESG controversies have been identified at the company, which reflects a failure by the board to proficiently guard against and manage material environmental, social and governance risks. We also think that roles of CEO and Chair should be separated. We supported several shareholder proposals at the AGM. FOR No</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,</p> <p>Texas Roadhouse Inc 2023-05-11 Advisory Vote to Ratify Named Executive Officers' Compensation Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company. 1.1 AGAINST management 50% of the Long-Term Incentive Plan for management is time-based. FOR No</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,</p> <p>Microsoft Corporation 2023-12-07 Report on tax transparency (shareholder proposal) Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company. 4.49 FOR We voted for the shareholder proposal as the proposed GRI Tax Standard would enhance the company's transparency in communicating its tax practices to investors globally. AGAINST (but 21% votes FOR) No</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,</p> <p>Microsoft Corporation 2023-12-07 Report on Risks of Operating in Countries with Significant Human Rights Concerns Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company. 4.49 FOR We voted for the shareholder proposal since increased disclosure regarding how the company is managing human rights-related risks in high-risk countries helps investors in their assessment of the company. AGAINST (but 33.5% votes FOR)</p> |

Fund Manager Product Response

| Activity | Nordea 1 – GBP Diversified Return Fund | | |
|---|--|--|-------|
| | | | No |
| Do you monitor the carbon emission levels or similar of the underlying companies in the fund? | 89.2 tCO2e/m€. The fund's monthly Factsheet reports GHG intensity of investee companies including Scope 1 and 2 emissions (in tons of CO2 equivalent per million of euro of owned revenue). The document is available in the following link: https://www.nordea.lu/documents/monthly-report---fact-sheet/MR_N1_GDRF_BI_GBP_eng_INT.pdf?inline=true | What was the actual turnover rate over the last 12 months? | 80.88 |

| Activity | L&G Life BJ Active Corporate Bond – Over 10 Year – Fund | | |
|--|---|--|---|
| Do you undertake Engagements for this fund? | Yes, | How many engagements have you had with companies in the past 12 months? | 68 |
| How many engagements were made regarding environmental topics? | 36 | How many engagements were made regarding governance topics? | 31 |
| How many engagements were made regarding social topics? | 20 | 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 | <p>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.</p> <p>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. For more details, please refer to the Voting Policies section of this document.</p> | How many votes were proposed across the underlying companies in the fund? | 2 |

Fund Manager Product Response

| Activity | L&G Life BJ Active Corporate Bond - Over 10 Year - Fund | | |
|---|---|--|---|
| How many times did you vote in favour of management? | 2 | How many times did you vote against management? | 0 |
| How many votes did you abstain from? | 0 | | |
| Do you monitor the carbon emission levels or similar of the underlying companies in the fund? | Yes - the fund produces approximately 172.4 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 31 December 2023 | What was the actual turnover rate over the last 12 months? | |

| Activity | M&G Total Return Credit Investment Fund | | |
|---|--|--|--|
| Do you undertake Engagements for this fund? | Yes, | How many engagements have you had with companies in the past 12 months? | 12 |
| How many engagements were made regarding environmental topics? | 8 | 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? | 0 |
| 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 | Sending bespoke letters to companies, Active private engagement on specific issues | Please discuss some of the key engagements and outcomes from the last 12 months. | <p>Company name 1: AIB GROUP PLC</p> <p>Topic: Environment - Net Zero/Decarbonisation (including Net Zero Commitments and Climate Transition Plans)</p> <p>Objective: We met with Irish Bank AIB to discuss the process it went through to have its near-term decarbonisation targets SBTi approved (as one of the few banks to have done so). The idea was to apply the lessons learned by AIB to other financial holdings that are finding validation difficult. As part of this meeting, we encouraged the bank to also have its net zero targets approved by SBTi, as well as regularly reporting on the outcomes of its scope 3 engagement programme, particularly as relates to its loan book.</p> <p>Action taken: We met with the bank's chief strategy and sustainability officer, as well as a member of the investor relations team.</p> <p>Result: AIB provided a good overview of the steps it had taken, the most important of which was initially getting internal stakeholders on board to allow for a smooth process, and</p> |

Fund Manager Product Response



| Activity | M&G Total Return Credit Investment Fund | | |
|---|--|--|--|
| | | | <p>working closely with SBTi on areas of uncertainty or concern. The bank confirmed that its intention was to get its net zero target approved, and was positive on the idea of reporting on its scope 3 engagement. This, it said, could eventually look at other ways of encouraging loan customers to decarbonise - in terms of incentives - while regulation was also helping to drive this, particularly CSRD.</p> <p>Company name 2: DXC TECHNOLOGY CO Topic: Social - Diversity & Inclusion Objective: To encourage DXC to increase board level gender diversity to 33% in line with our voting policy Action taken: M&G sent an letter to the company to make our expectations known Result: We await to hear back from the company and will update in due course</p> <p>Company name 3: BRAMBLES FINANCE PLC Topic: Governance - Executive Remuneration Objective: To ask Australian sustainable logistics business Brambles to more explicitly link remuneration KPIs to sustainability targets, reflecting the company's role as a promoter of, and practitioner in, the circular economy. We also encouraged the company to commit to net zero through SBTi - it has a near term SBTi approved 1.5° target, but has not yet committed to a net zero target through the initiative. In addition, we asked Brambles to consider reporting on specific milestones on the path to achieving the goals of its decarbonisation strategy, with specific ties to remuneration. Action taken: M&G met with members of the company's investor relations team. Result: Brambles was very receptive to our requests, and explained that the relatively long list of reported personal objectives, linked to 30% of short term incentives, were tailored to individual roles - it would look to provide a clearer picture on a role-by-role basis. It also suggested a follow-on call with the head of sustainability to discuss more granular milestones connected to its decarbonisation strategy, which we will follow up on. Once we have the breakdown of objectives by role, depending on that outcome, we will write to the chair of the remuneration committee to outline our expectations. We are also sending the company examples of remuneration best practice to help guide the outcome.</p> |
| Do you engage in voting for this fund? | No, Not applicable as fixed income product | Do you conduct your own votes? | Voting is not applicable in this fund. |
| Do you monitor the carbon emission levels or similar of | Yes, we monitor carbon emissions level in this fund. The | What was the actual turnover rate over the last 12 months? | |

Fund Manager Product Response

| Activity | M&G Total Return Credit Investment Fund | | |
|---------------------------------------|--|--|--|
| the underlying companies in the fund? | <p>following climate metrics have been included in the TCFD report where data is available.</p> <p>Metric Description:</p> <ul style="list-style-type: none"> * Scope 1 Direct emissions associated with the business operations e.g. a utility company's emissions from combusting fuel. * Scope 2 Indirect emissions associated with the business' heating/power requirements e.g., a software company's emissions from buying electricity. * Scope 3 Emissions from: purchased goods and services; business travel; employee commuting; waste disposal; use of sold products; transportation and distribution (up and downstream); investments; leased assets; and franchises. * Carbon Footprint Refers to financed carbon emissions divided by the fund's market value, expressed in tonnes CO2e/£m invested. The larger the number, the more it is contributing to the effects of climate change. CF can be used to compare across different funds. * Weighted Average Carbon Intensity Is the fund's exposure to carbon-intensive issuers, expressed in tCO2e/£m sales. The larger the number, the more carbon intensive the investments currently are. Weighted Average Carbon Intensity (WACI) Investments Is the fund's exposure to carbon-intensive issuers, expressed in tCO2e/£m sales. The larger the number, the more carbon intensive the investments currently are. WACI allows comparison across different funds. * Exposure to high impact sectors: High impact sectors, such as utilities, construction, real estate, and transportation, are industrial sectors that have a significant influence on global carbon emissions. * Climate Adjusted Value This metric is the change in the value of the fund's assets (what it holds) as a result of the climate scenario. A negative number denotes that under the scenario, there will be a devaluation for the fund's investments or underlying assets. Scenario model outputs are expressed as a range of outcomes, reflecting the inherent uncertainty of the underlying assumptions. We have provided the average model output of that range of results: <ul style="list-style-type: none"> i) Orderly Transition Scenario assumes climate policies are 'orderly', ie, are introduced early and become gradually more stringent, reaching global net zero greenhouse gas (GHG) emissions around 2050 and likely limiting global warming to below 2°C on pre-industrial averages. ii) Disorderly Transition Scenario assumes climate policies are 'disorderly', ie, are delayed or divergent, requiring sharper emissions reductions achieved at a higher cost and with increased physical risks in order to limit temperature rise to below 2°C on pre-industrial averages. iii) Hot House World Scenario Scenario assumes only currently implemented climate policies are preserved, | | |

Fund Manager Product Response

| Activity | M&G Total Return Credit Investment Fund | | |
|----------|--|--|--|
| | <p>current commitments are not met and emissions continue to rise, with high physical risks and severe social and economic disruption and failure to limit temperature rise.</p> <p>* Implied Temperature Rise: This metric allows a user to quickly gauge if a portfolio and issuer's greenhouse gas (GHG) emissions' trajectory is aligned with the Paris Agreement through sub-industry and regional benchmark comparisons.</p> <p>* Paris Agreement target: The Paris Agreement resulted from the Paris Climate Conference (COP 21) in December 2015 and brought together all COP member nations in an agreement to undertake ambitious efforts to tackle climate change and limit the rise of global temperatures (from pre-industrial levels) to below 2°C, and ideally below 1.5°C.</p> | | |

| Activity | L&G Life AF Over 15 Years Gilt Index Fund | | |
|---|---|---|---|
| Do you undertake Engagements for this fund? | No, Gilt Fund | How many engagements have you had with companies in the past 12 months? | |
| Do you engage in voting for this fund? | No, Gilt Fund | 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 monitor the carbon emission levels or similar of the underlying companies in the fund? | Yes - the fund produces approximately 183.6 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 31 December 2023 | What was the actual turnover rate over the last 12 months? | |

| Activity | Ninety One Global Total Return Credit Fund | | |
|--|--|--|---|
| Do you undertake Engagements for this fund? | Yes, For year to 31 December 2023 | How many engagements have you had with companies in the past 12 months? | 18 |
| How many engagements were made regarding environmental topics? | | How many engagements were made regarding governance topics? | |
| How many engagements were made regarding social topics? | | How many engagements were made regarding other issues? | 6 |
| 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 | Active private engagement on specific issues | Please discuss some of the key engagements and outcomes from the last 12 months. | In September, we engaged with Italian online learning provider, Multiversity. The purpose of this engagement was to get a better understanding of their sustainability ambitions, and to ensure that it addresses the key ESG concerns that we believe are embedded in the business. We also wanted to help |

Fund Manager Product Response

| Activity | Ninety One Global Total Return Credit Fund | |
|--|--|---|
| <ul style="list-style-type: none"> • Standard period engagement with companies • Active private engagement on specific issues <p>Active public engagement on specific issues</p> | | <p>the company understand the reporting requirements from investors such as ourselves. Having been acquired by CVC only 2 years ago, the business has made large strides in its corporatisation process, from a family owned and operated business. Multiversity started its ESG journey one year ago having hired 3 people, including hiring a Head of ESG more recently, and in the Q2 results, the company announced the 5 key pillars of its ESG strategy. It has used third party advisors to help it with due diligence regarding where the company is currently at in terms of data requirements. Multiversity then engaged all stakeholders (students, teachers, service providers, investors) to help build its ESG strategy. It intends to get a third party ESG rating and will consider getting SBTi verified in the future. It is also targeting 2024 for its first ESG handbook, which will outline ESG strategy and targets in more detail, and 2025 for the first full ESG report which will include more data driven reporting. We discussed the metrics we would like to see in this report and for the most part Multiversity agreed these would be covered. Given the nature of the business (online universities in Italy) the business model is well suited to helping improve the environment by reducing emissions through almost no physical real estate. Providing affordable and accessible education to Italians (particularly those in more remote areas) improves the breadth of education and therefore works towards the positive social inclusion efforts of the country. Company: Carnival Type of engagement: Environmental Sector: Leisure Issue: Lack of commitment to an independently verified net zero target Date: April & May 2023 Status: Monitoring Carnival (CCL) is the largest cruise line operator in the world with over 90 ships sailing under nine well known brands. While CCL has been an industry leader on various sustainability initiatives (described in more detail under our Top 3 contributors' section), an area of weakness identified through our transition alignment evaluation was a lack of commitment to an independently verified net zero target (such as SBTi). We engaged with CCL to specifically question why this was the case, especially given its various sustainability initiatives elsewhere. Our engagement included its Chief Maritime Officer, Sustainability Director and a representative from the Investor Relations team. Through the engagement we learnt that CCL has had multiple conversations with SBTi and is considering committing to its targets. The company however hasn't committed yet because it is concerned with SBTi's methodology. CCL believes that to achieve SBTi long term targets, alternative fuel sources would be needed, which technology today does not yet allow for. CCL could reach short term SBTi targets but doesn't want to run the risk of missing longer term targets if the technology gap remains over the next several years. With that said, the company is looking at alternative options with well known SBTi peers (though declined to specify which) and acknowledges that there is value in having a third party oversee sustainability progress. No hard timeline was given, but CCL expects to announce a commitment/partnership by year end 2024 (whether to SBTi or an alternative organization). On other sustainability matters, the company's liquified natural gas (LNG) powered ship rollout is going well, with 8 LNG ships already in service and 3 to be delivered. Those 11 ships would represent 20% of total capacity. To achieve net zero however, the industry would need to find additional long term green fuel sources. Biofuel and e fuel (e.g., hydrogen, carbon) are the most likely next sources according to CCL. Biofuel has been tested but is too expensive</p> |

Fund Manager Product Response

| Activity | Ninety One Global Total Return Credit Fund | | |
|---|--|--|--|
| | | | today. For hydrogen/carbon, the sector will need to find a way to produce those fuels without creating emissions which would defeat the purpose. Electric powered engines are unlikely for ocean going vessels due to long range requirements. |
| Do you engage in voting for this fund? | No, As bondholders we do not have voting rights. | Do you conduct your own votes? | No for the strategy. As bondholders we do not have voting rights. |
| Do you monitor the carbon emission levels or similar of the underlying companies in the fund? | Yes we monitor and measure the contribution to carbon intensity and carbon footprint, as well as the source of the data. | What was the actual turnover rate over the last 12 months? | 116.18 |

| Activity | CT LDI Funds | | |
|---|-----------------------------|--|---|
| Do you undertake Engagements for this fund? | Yes, for year to 31/12/2023 | How many engagements have you had with companies in the past 12 months? | 15 |
| How many engagements were made regarding environmental topics? | 11 | How many engagements were made regarding governance topics? | 6 |
| How many engagements were made regarding social topics? | 3 | 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. | Barclays PLC Milestone rating: 1 star Barclays updated their fossil fuel financing policy. They will no longer provide financing to oil sands exploration and production companies, or financing focused on the construction of new oil sands exploration assets, production and processing infrastructure or oil sand pipelines. We have engaged numerous times with Barclays on their management of climate risks. While this is an important part of their management of climate risks, their fossil fuel financing policy remains looser compared to other UK peers, and will likely continue to create reputational risks. |
| Do you engage in voting for this fund? | No, LDI Fund | 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? | Not Provided | What was the actual turnover rate over the last 12 months? | |

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