



# Schroders

## SUSTAINABLE INVESTMENT REPORT

### VOTING AND ENGAGEMENT AT A GLANCE

OUR ACTIVE OWNERSHIP  
STATISTICS FROM THE QUARTER

### ACTIVE OWNERSHIP IN PRACTICE

How we're engaging companies  
on their transition plans

Modern slavery in conflict

How we're pushing Apple  
on sustainability reporting

### SUSTAINABILITY INSIGHTS

Schroders Institutional Investor Study 2022

A spotlight on biodiversity commitments

What to expect from this year's climate  
and nature COPs

MyStory: Alfen and what's behind the  
energy transition

THIRD  
QUARTER  
2022

Marketing material.



Hannah Simons  
Head of Sustainability Strategy

### Balancing the E and the S

The urgency surrounding the action needed to tackle climate change has been front and centre over the last few years. This quarter we look at what we can expect from COP 27 and also the postponed biodiversity COP 15. At Schroders, in order to protect and enhance the value of our clients' assets, we focus our engagement activity on understanding how our investments are adequately prepared for the risk climate change poses. We have previously discussed our climate engagement and escalation framework, which outlines our expectations of investee companies. Importantly, net zero commitments are only the first step; backing these commitments up with tangible, specific and timebound action is key. This quarter, Carol Storey, our climate engagement lead, discusses how we evaluate the transition plans of our investee companies in order to assess the tangible action they are taking.

With climate often dominating the sustainability agenda, social risks and opportunities cannot be forgotten. Stephanie Williams, Sustainable Investment Analyst, and Katie Frame, Active Ownership Manager, explain how investors can engage with companies on the issues of conflict and modern slavery. We also take a look at our 2022 Schroders Institutional Investor Study on page 10, which found that governance and human rights were the top active ownership focus areas for institutions globally. Our latest survey covering retail investors has also been published, details of the findings are available [here](#).

## OUR ENGAGEMENTS AND VOTING

## ENGAGEMENT IN NUMBERS

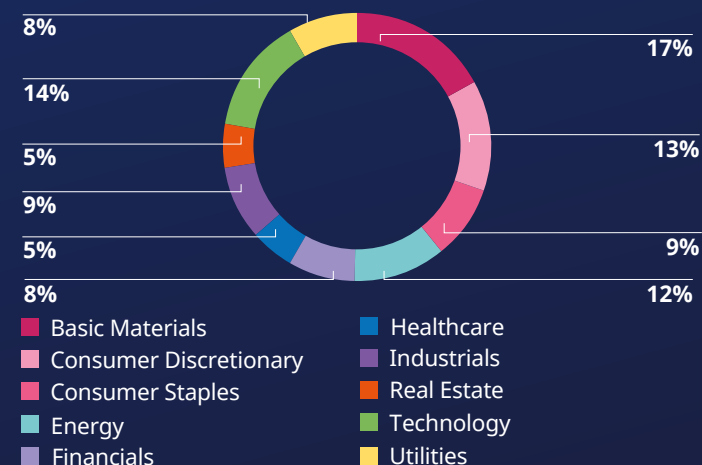
## Type

	Narrow scope	↔	Broad scope
Scope	In-depth sustainability engagement	Investor-led engagement	Collaborative engagements and communicating expectations at scale
Number of engagements	48	268	93

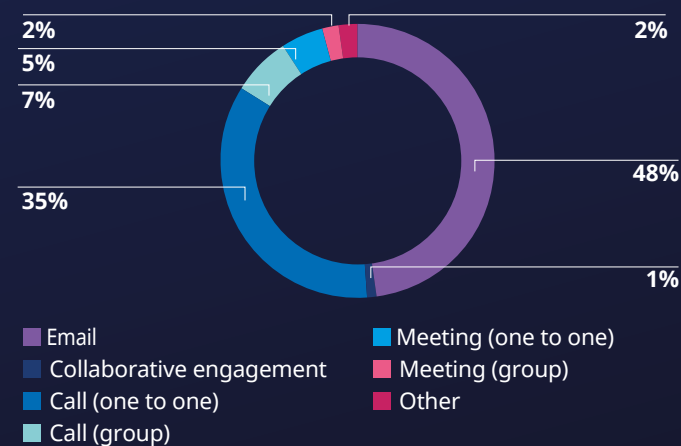
## Region

Asia Pacific	32%
Europe (ex-UK)	15%
Latin America	8%
Middle East and Africa	4%
North America	24%
UK	17%

## Sector



## Format





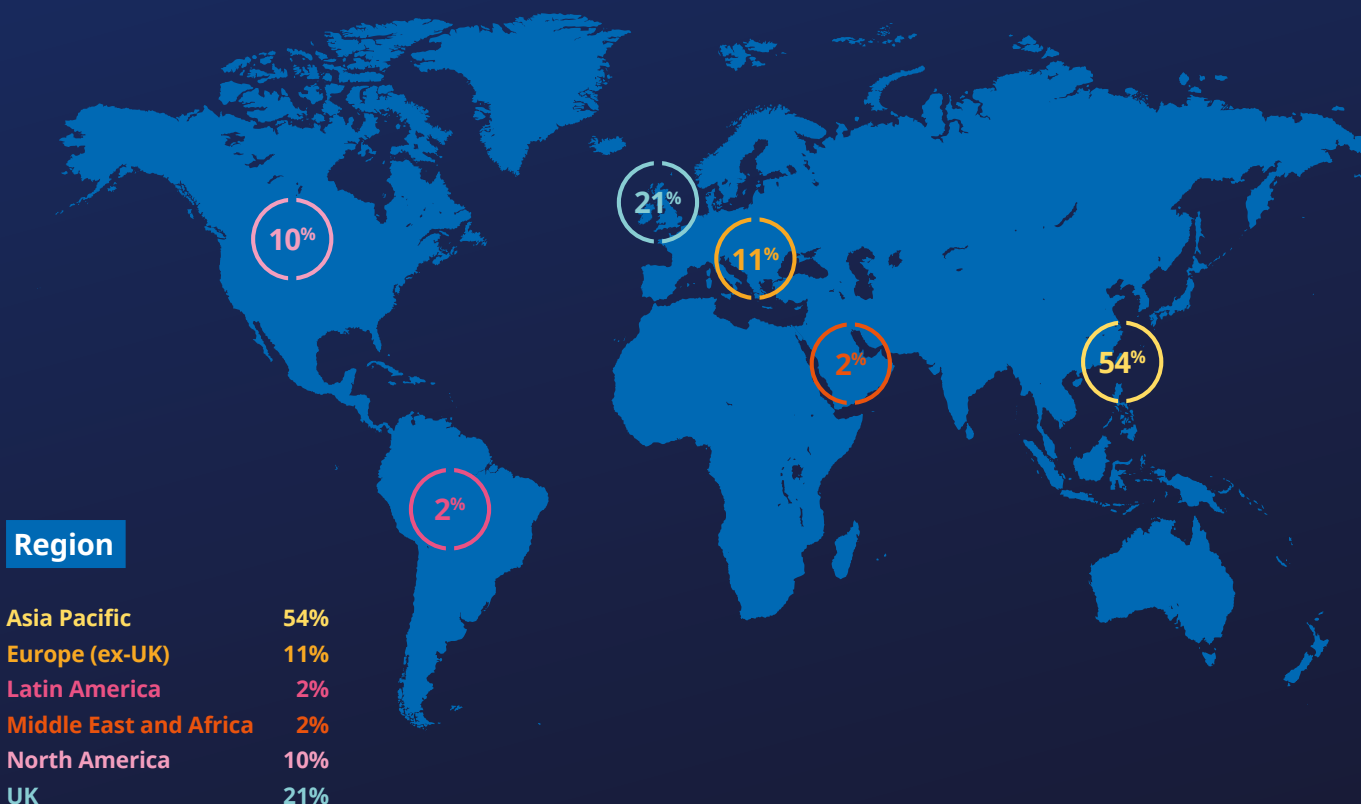
## OUR ENGAGEMENTS AND VOTING

## VOTING IN NUMBERS

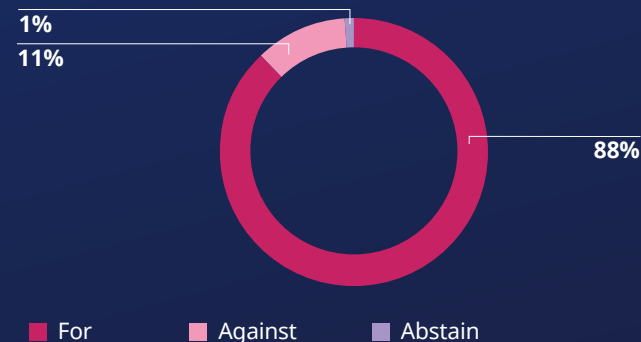
*This quarter we voted on 1060 meetings and approximately 98% of all resolutions. We voted on 80 sustainability-related shareholder resolutions, of which we voted with management on 66.*

We publish our voting decisions on the [voting section of Schroders' website](#).

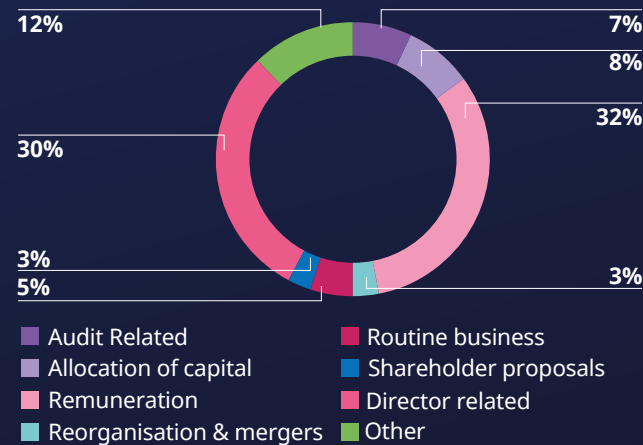
We believe we have a responsibility to exercise our voting rights. We evaluate and vote in line with our fiduciary responsibility to clients. We vote on all resolutions unless we are restricted from doing so, for example through share blocking.



## Direction of votes



## Category of vote against management



## OUR ENGAGEMENTS AND VOTING

## ENGAGEMENT PROGRESS

*In the third quarter of 2021, Schroders undertook 17 requests for change classified as tier 1 engagements. The pie chart shows the progress we have made on reviewing these engagements in the third quarter of 2022.*

Over the past year, our Active Ownership Team's efforts have evolved to support and empower our investors with their own engagements. The Active Ownership Team continues to undertake engagements. Our [Engagement Blueprint](#) was published at the start of 2022 to concrete our firmwide ambitions going forward. We are now in the process of developing a new engagement tracking tool, ActiveIQ, to improve our insights from our voting and engagement activity and track activity across the entire Schroders team, including both the Active Ownership Team and our investors. Look out for our new enhanced reporting from 2023 onwards.

The bar chart shows the effectiveness of our requests for change over a three-year period. We have found that typically at least two years of dialogue is required before our requests begin to materialise in the form of measurable change. It is for this reason that the two most recent years are omitted.

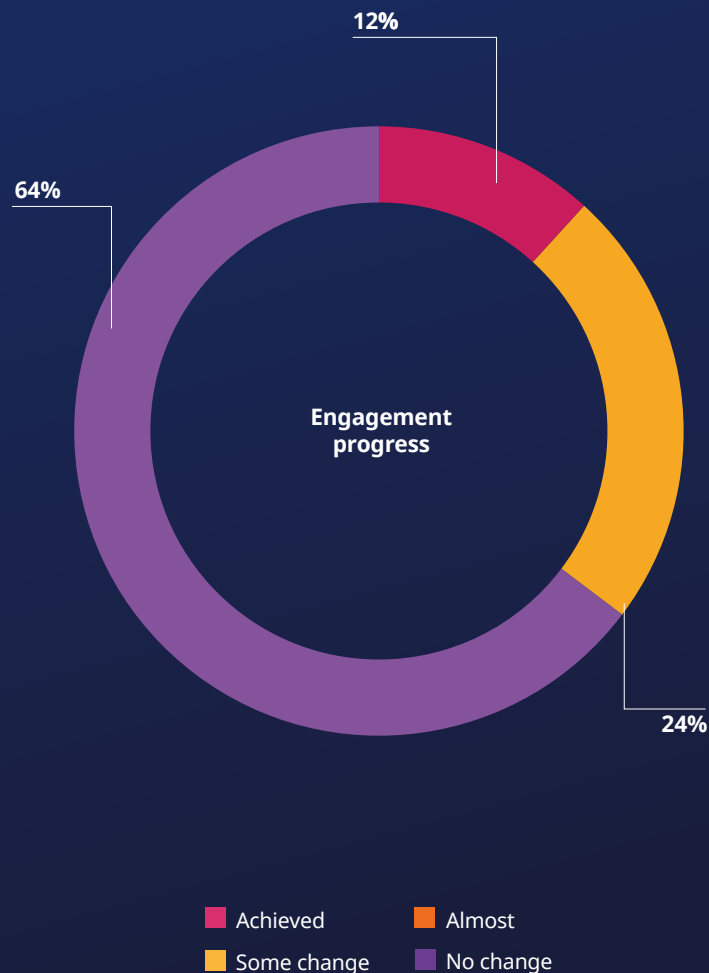
We record our engagement activity in our proprietary research database to facilitate the monitoring of companies in which we are invested. We define expected timeframes for targets, track progress and – if necessary – revise them.

In order to review progress on historical engagements they are categorised as “Achieved”, “Almost”, “Some change”, “No change” or “No further change required”. If no change is required it is usually because we have sold out of the position.

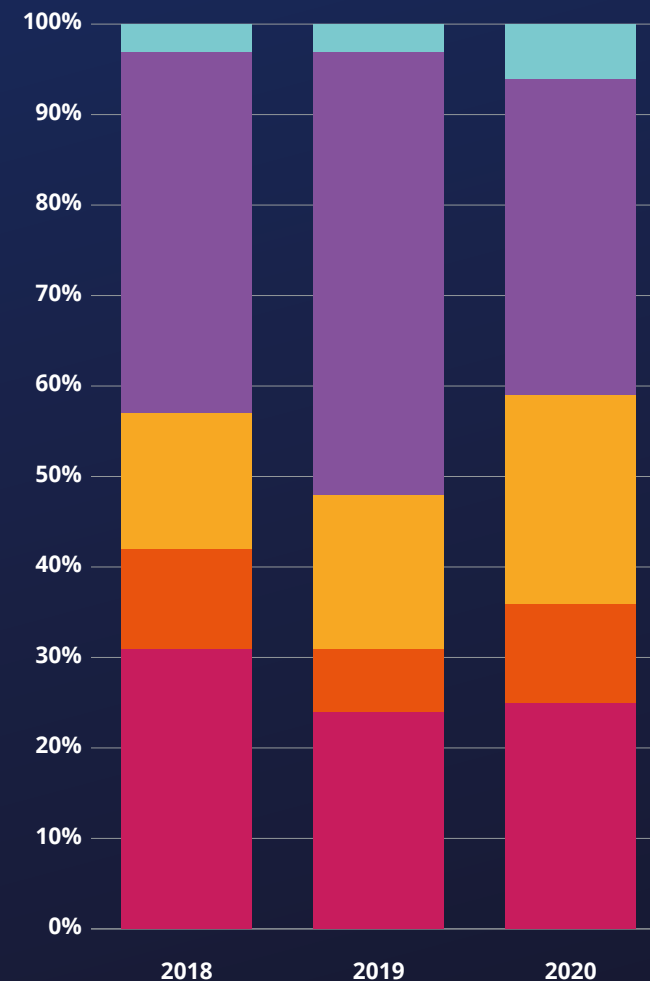
We typically review requests for change one year after they have been made and then on an ongoing basis. We will escalate where necessary.

### Requests for change effectiveness

#### Engagement progress from Q2 2021



#### Three years: 2018 vs 2019 vs 2020





Carol Storey  
Climate Engagement Lead

## ACTIVE OWNERSHIP

# HOW WE ARE ENGAGING COMPANIES ON THEIR TRANSITION PLANS

How a company responds to the challenges of climate change could be key to its bottom line – and that's why it matters to us.

Along with real-world emission reductions, a smart strategy could mean a more resilient business, new areas of growth, and perhaps bigger profits. A poor plan could bring future problems, and poorer returns.

This is why we engage companies, to sit across the table (or computer screen) and speak to them. We want to learn as much as possible about their climate strategy. And we want to scrutinise their climate transition plans – their blueprint for how they intend to meet the challenges faced by their business.

When we look at transition plans, we want to get a grasp on the who, what, where, when, how and why. We use this information to help us identify companies that are well placed to outperform in a net zero world, and those that may falter unless they change course.

We've learnt a lot from our conversations with companies this year – for example, how regulation in different parts of the world can help, or hinder, cement companies from producing lower-carbon concrete.

We've identified areas of good practice – for example, the metals and mining company that has put in place Just Transition plans to support its workforce if it is unable to decarbonize the highest-emitting parts of its business.

### WHAT WE'RE SEEKING TO UNDERSTAND WHEN REVIEWING CLIMATE TRANSITION PLANS

**AMBITION:** speed and scale of emission reduction targets and other climate goals; target alignment with good practice for the sector

**ORGANISATION:** governance and decision-making processes in place to support climate goals

**ACTION:** steps being taken to meet climate goals, and why this course of action is being taken

**PROGRESS AND PERFORMANCE:** emission reductions so far and expected impact of climate strategy – on the planet, on people, and on financials

**RISKS AND UNCERTAINTIES:** anything that could lead to a company missing its targets – challenges that must be overcome; risks that are known, and those that are not yet fully understood

We use a range of sources to assess transition plans, including company disclosures, our internal climate models, and information provided by organisations like CA100+, TPI, CDP and SBTi.



## ACTIVE OWNERSHIP

We've seen companies caught out by not providing enough detail in their transition plans being voted on during AGM season - for example, the financials company that was heading in the right direction but had not yet set interim targets for the majority of portfolios it managed.

And we're helping companies strengthen their climate targets and transition plans – for example, by providing detailed feedback to European banks following an extensive research and benchmarking exercise.

Not-for-profit organisation CDP grades company responses to its annual survey on climate issues. Last year its survey found one-third of companies reported they had a transition plan. However just 1% met CDP's criteria for a 'credible' plan.<sup>1</sup> Through our work, we continue to encourage companies to publish - and improve - their plans. It's early days, but we hope to bring you data later this year, or early next year, on how many companies in our engagement programme we think are meeting a good standard.

### KEY ELEMENTS OF A CLIMATE TRANSITION PLAN

Statement of net zero ambition including scope and timeframes

Details of emission reduction targets and other climate goals

Decarbonisation strategy

Financial planning and capital alignment

Scenario analysis

Just Transition considerations

Value chain engagement

Climate policies and lobbying activities

Governance

Risks and opportunities

Scope 1, 2 and 3 emissions and validation



<sup>1</sup> CDP. Are Companies Being Transparent In Their Transition? 2021 Climate Transition Plan Disclosure, [https://cdn.cdp.net/cdp-production/cms/reports/documents/000/006/127/original/2021\\_Climate\\_transition\\_plan\\_disclosure\\_FINAL.pdf?1647432846](https://cdn.cdp.net/cdp-production/cms/reports/documents/000/006/127/original/2021_Climate_transition_plan_disclosure_FINAL.pdf?1647432846)



## ACTIVE OWNERSHIP

# MODERN SLAVERY IN CONFLICT

## WHY IS THIS ISSUE IMPORTANT TO INVESTORS?

It is widely known that conflict has unparalleled impacts on the movement of people – with drastic disruption to livelihoods and safety. The Ukraine war is a timely example. Since the Russian invasion began on 24 February, Ukraine has witnessed one of the fastest exoduses of people in recent history. To date, 6.3 million refugees have been recorded in Europe. Although there is now evidence of Ukrainians returning to their home country, the extreme relocation triggered by the conflict requires the integration of substantial numbers of refugees into receiving European populations.

Modern slavery and human trafficking has been present in 90% of modern wars. This is due to a mixture of factors, including refugees being picked up by traffickers when crossing borders, or accepting offers of accommodation or work without validation of legitimacy and safety. The vulnerability of refugees is often compounded by demographic factors, with women and children being over-represented among displaced populations. As a result, businesses operating in regions that are receiving refugees must be aware of the new risks of labour exploitation in their operations and supply chains.

As a wave of mandatory due diligence laws are coming into effect across Europe, the focus and scrutiny around human rights abuses such as modern slavery is rising. With tangible civil liability and monetary fines on the horizon, alongside moral obligation, the impetus for acting in line with the UN Guiding Principles on Business & Human Rights (UNGPs) is at an all time high.

## HOW SHOULD INVESTORS ENGAGE ON THIS ISSUE?

In Schrodgers' Engagement Blueprint we set out our ask for companies to establish and implement a human rights policy in line with the UNGPs, ILO (International Labour Organization) and other international frameworks, and commit to respect human rights. We also ask companies to introduce robust due diligence processes and effective remedy.

However, due to the heightened risk associated with human rights in and around conflict-affected areas, we expect companies to go beyond this. That entails adapting existing policies to the specific needs of conflict-affected areas, and performing enhanced due diligence in these contexts. Such action comprises:

- Assessing actual and potential human rights impacts;
- Integrating and acting upon the findings;
- Tracking responses; and
- Communicating how impacts are addressed.

As a starting point, there are two simple questions investors seeking to engage on this issue should ask companies:

1. How have your supply chains been impacted by the influx of migrant labour, and how are you assessing the associated risks of modern slavery?
2. What enhanced due diligence processes are you undertaking given this heightened risk?



**Stephanie Williams**  
Sustainable Investment Analyst



**Katie Frame**  
Active Ownership Manager

ACTIVE  
OWNERSHIP**MODERN SLAVERY IN CONFLICT**

## ENGAGEMENT CASE STUDIES

**CASE STUDY – TURKISH GARMENT MANUFACTURER:**

Recognising the heightened human rights risks in the country, particularly associated with an influx of migrants from Syria, in 2020 we began engaging with a Turkish garment manufacturer on its human rights policies and practices. The company was at a relatively early stage on this topic so we started by encouraging it to increase disclosure and demonstrate adherence with responsible sourcing practices, as well as participating in industry initiatives to improve standards and collaborate with relevant NGOs and stakeholder groups. We are pleased that since our engagement, the company has set compliance and monitoring targets for its supply chain, and has begun reporting basic audit data.

**CASE STUDY – TAIWANESE COMPANY:**

In 2022 we engaged with a Taiwanese company with exposure to Myanmar. The company had begun to make progress to include human rights, amongst other ESG factors, into its supplier management practices. We sought to understand what actions the company will be taking to increase suppliers signing onto the code of conduct. We also encouraged the company to work to increase the scope of its audit practices. We will continue to engage with the company on these topics in the coming years.

**CASE STUDY – EUROPEAN RECRUITMENT COMPANIES:**

We have recently initiated engagements with two companies operating within Europe that fall within the Human Resources and Employment Services industry. We identified this industry as higher risk because employment and temporary agencies are likely to interact with individuals who are rapidly looking to find work, having been displaced from their homes and original employment. The engagement seeks to understand how the companies are acting to anticipate and address these risks – ensuring that due diligence is being undertaken on employee applicants and end employers.





## ACTIVE OWNERSHIP

Katie Frame  
Active Ownership Manager



# HOW WE'RE PUSHING APPLE ON SUSTAINABILITY REPORTING

Over the third quarter of 2022, our Sustainable Investment Team engaged with US tech giant, Apple, three times to ask for more clarity on a number of environmental and social topics, as well as encouraging them to increase their disclosures around them.

Initially, we wrote to Investor Relations to recognise that the company is leading in many aspects of its climate change work. We also outlined a number of questions around some of the nuance of the climate change targets and longer term plans beyond 2030. On human rights, we asked for more information about how they assess the effectiveness of their due diligence process in light of recent reports about the use of illegally sourced gold from the Amazon in its supply chain. Finally we noted the recommendations of the 2022 RDR Big Tech Scorecard<sup>1</sup> and asked about their plans to implement these.

We had a follow up meeting with the investor relations team where we sought to push the company for further action on climate change (particularly circular economy), human rights and diversity. We discussed why Apple has set a 'carbon neutral' target, rather than 'net zero' which the company explained they view as largely the same. In light of this, we have asked them to clarify their offsetting strategy. We also discussed the company's human rights due diligence programmes. Finally, we sought to understand the company's speak-up mechanisms and asked it to improve disclosure around inclusion.

During the meeting, we identified a number of objectives for the company, outlined below:

- Implement the recommendations from the RDR big tech scorecard on digital rights
- Disclose workforce diversity and inclusion metrics
- Disclose issues raised through whistleblowing lines
- Communicate long-term climate ambitions
- Set clear recycling / recyclability targets

We aim to set pre-defined SMART (specific, measurable, achievable, realistic and time-bound) engagement objectives where they are suitable for the engagement. We regularly monitor progress against the engagement objectives, at least annually, and at a frequency that is appropriate for the priority of the engagement and materiality of the issue or holding. That said, we recognise that the length of time to achieve an objective will vary depending upon its nature, and that key strategic changes will take time to implement into a company's business processes.

After the meeting, we shared detailed feedback on the company's ESG programmes at its request. We noted strengths in its climate goals, but reiterated our objectives here and that we see an opportunity for the company to lead more on its product circularity work. On human rights we noted opportunities for more outcomes-based disclosure. We also reiterated our request for diversity and inclusion disclosure and finally explained that we are seeing more companies include ESG metrics in pay, which could present an opportunity for Apple.

We will continue to engage and review their action against the targets we have set over the coming months.

<sup>1</sup> <https://rankingdigitalrights.org/index2022/>

## SUSTAINABILITY INSIGHTS

**SCHRODERS INSTITUTIONAL INVESTOR STUDY 2022**

Schroders has sought and analysed the investment perspectives of 770 institutional investors from 28 locations around the world, who are collectively responsible for US\$27.5 trillion in assets. This includes corporate and public pension plans to insurance companies, official institutions, endowments and foundations.

This year's study has found that 48% of institutional investors are focusing on the impact of their investments – up from 38% last year and 34% in 2020. The 2022 result marks the first time impact investing is in the top three preferred approaches to sustainable investing since the Study was launched in 2017. Integration of environmental, social and governance (ESG) factors into the investment process remains the most popular approach to sustainability, selected by 75% of respondents globally.

**1. INVESTING IN THE ENERGY TRANSITION IS KEY TO INCREASING SUSTAINABILITY ADOPTION**

Demand for more investment solutions focused on the energy transition and the need for tangible evidence of real world outcomes are among other key findings. Well over half of respondents (59%) said that investment in the energy transition would encourage them to allocate more money into sustainable investments.

The level of interest in transition-oriented solutions was highest in the UK & Europe and in Asia Pacific, at 68% and 62% respectively. However in North America, energy transition opportunities were trumped by demand for quantitative evidence about the financial considerations of investing sustainably (60%).

**2. NET ZERO COMMITMENTS ARE ON THE RISE**

Almost four in ten (37%) institutional investors said their organisation had committed to reaching net zero by 2050. Such commitments were highest among European investors (42%), followed by Latin America (40%), Asia Pacific (37%) and North America (28%). A third (33%) of North American investors are still exploring the transition but have not yet committed to specific targets.

**3. ACTIVE OWNERSHIP – THEMATIC FOCUS VARIES BY REGION**

Governance and oversight was the most popular engagement theme for two thirds of investors (64%), which is not surprising as it underpins all ESG themes and companies' ability to address relevant risks. The second most popular theme was human rights (62%) – the impact companies having on workers, communities and consumers, followed by climate action and transparency (61%).

There are clear regional differences. Climate was particularly important for investors in Asia Pacific (65%) and the UK & Europe (64%) while human rights and governance came up top for North America (64% for both), and in Latin America human capital management came first (58%).

The findings are a good reminder that while these themes affect investments globally, client priorities will vary regionally. Increasingly, we need to look at the interrelation of themes – such as a just transition – as well as how these themes materialise in different parts of the world.

**4. RISE IN PERFORMANCE CONCERNS**

Performance concerns over sustainable investments have increased in the last year. 53% of respondents cited these as a worry, up from 38% in 2021. Concerns over performance had been consistently falling year-on-year until this year, a year which has seen market conditions change and some sustainable strategies facing headwinds.

Recognising client concerns over tensions between sustainable investment and return goals, it's clear that thoughtful approaches grounded in investment experience are critical.

Vicki Owen

Senior Content Strategist, Sustainability

Katie Green

Investment Director, Sustainable Investment



## SUSTAINABILITY INSIGHTS

# A SPOTLIGHT ON BIODIVERSITY COMMITMENTS

We are delighted to have become signatories to the Finance for Biodiversity Pledge. As part of this, we have committed to:

## 1. COLLABORATING AND KNOWLEDGE SHARING

We will be part of a number of collaborative working groups – including Impact Assessment, Engagement with Companies, and Public Policy Advocacy – sharing our experience and hearing from our peers and wider industry collaborators to drive progress.

## 2. ENGAGING WITH COMPANIES

Earlier this year we released our [Engagement Blueprint](#), which set out our ambitions for Active Ownership and our six priority themes. Biodiversity and natural capital is one of these themes and we have four areas of focus within this, depending on materiality for our investee companies:

1. natural-related risk and management
2. circular economy, pollution and waste
3. sustainable food and water
4. deforestation

## 3. ASSESSING IMPACT

We assess many of the drivers of biodiversity loss in our proprietary tool, [SustainEx](#), which aims to provide our investment teams with an estimate of positive and negative externalities that companies and countries may create for society. As part of our on-going governance, we continue to research and review the metrics in SustainEx and have a research group dedicated to understanding the biodiversity-related externalities created by companies and countries.

## 4. SETTING TARGETS

We were founding members of the Net Zero Asset Managers Initiative, committing to transition all our managed assets to net zero by 2050 or sooner. We followed this with the publication of our [Climate Transition Action Plan](#) in 2021, which sets out how we are going to achieve our net zero ambitions, including measuring exposure and realigning our portfolios, engaging with companies and tracking their progress and taking a solutions approach. We have also committed to ending commodity driven deforestation, land conversion and associated human rights abuses in our portfolios by 2025.

## 5. REPORTING PUBLICLY

We are committed to transparency around all our commitments and are a member of the TNFD Forum, a global multi-disciplinary consultative group of institutional supporters. The TNFD is developing a risk management and disclosure framework for organisations to report and act on evolving nature-related risks, which aims to support a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes. The evolving guidance from TNFD which help to guide our reporting in this area.

**Joining the Pledge is an external commitment of our on-going focus on this important issue. It complements the existing commitments we have made on climate and deforestation.**



### READ MORE:

Read more on biodiversity and natural capital:

- PETER HARRISON: WHY WE MUST MAKE NATURE INVESTIBLE
- PODCAST: WHAT IS NATURAL CAPITAL AND WHY IS IT IMPORTANT FOR INVESTMENT DECISIONS?

Katie Green  
Investment Director  
Sustainable Investment





## SUSTAINABILITY INSIGHTS

# WHAT TO EXPECT FROM THIS YEAR'S CLIMATE AND NATURE COPS<sup>1</sup>

## COP27

COP27 is set to take place from 6-18th November in Egypt and will be the 27th COP since the first (COP1) in Berlin, Germany, in 1995.

A spotlight was placed on last year's conference, COP26, taking place amidst so much awareness and debate around climate change, with emphasis on finding the solutions. The private sector was more present than ever before.

The expectations were high, and whilst the conference resulted in several positive outcomes, there are a number of areas where further action is still needed.

However this year, COP27 is taking place under very different circumstances. There are geopolitical tensions on multiple fronts, "cost of living crisis" headlines in many countries, high energy costs and economies burdened by inflation, and financial market instability to just name a few.

Getting all the countries around the table again would be a successful first step.

This year, we're expecting there to be a focus on:

- Strengthened 2030 commitments from countries
- Financial aid from developed countries to support countries in the emerging world

## COP15

This year will also present the 15th biodiversity conference, COP15. It will be held in Montreal, Canada between the 7-19th December. The aim of the conference is to reach agreement on urgent policy action required to achieve the following high level goals:

- Enhancing the integrity of all ecosystems
- Ensuring nature's contributions are valued, maintained or enhanced through conservation
- Ensuring the benefits from the utilisation of genetic resources are shared fairly and equitably
- Closing the gap between financial and other means of implementation to achieve the 2050 vision



### READ MORE:

Look out for more insights from the conferences [here](#)

## The Sustainable Investment Team

### Positive outcomes taken from COP26:

### Areas to be addressed:

India made first commitment to net zero	Commitment to net zero is for 2070
Coal and fossil fuels referenced for the first time	Plans referenced a 'phase down' rather than a 'phase out'
100+ countries signed methane emissions pledge	Key polluters did not sign e.g. China, Russia, and India
100+ countries committed to end deforestation by 2030	Lack of detail around implementation
Double adaptation funding by 2025 and developed countries commitment to reach previously agreed target of \$100bn annually	Developed countries so far failed to deliver on \$100bn pledge to help poorer countries
Guidelines of global carbon market	Rules could allow poor quality old units into the system, weakening its efficacy

<sup>1</sup> Conference of the Parties  
Source: Schroders



## SUSTAINABILITY INSIGHTS

## MYSTORY: ALFEN AND WHAT'S BEHIND THE ENERGY TRANSITION

**We all use more electricity today than we ever had and this is only set to increase in the future, as we transition to a more sustainable energy future. So we need to have the right technologies to make sure our cities' grids can cope with this demand.**

Global electricity demand today is just under 30,000 TWh. Predictions are that this will need to grow to as much as 130,000 TWh by 2050 if we want to achieve our net zero goals<sup>1</sup>.

Technologies like heat pumps and electric cars, as well as rooftop solar to power them, are crucial to the smooth transition to a cleaner and more electric economy. But is our infrastructure ready to support this exciting new innovation?

***"AS SOMEBODY WHO LIVES IN A SHARED FLAT LIKE THESE WITHOUT OFF-STREET PARKING WHERE YOU CAN'T HAVE YOUR OWN CHARGING POINT, IT DOES REMIND ME THAT THERE IS STILL A LONG WAY TO GO WITH THE TRANSITION. WE NEED TO FIND SOLUTIONS THAT CAN ENABLE EVERYONE TO ELECTRIFY AND DECARBONISE THEIR LIVES."***

Public charging stations and local grid management are key to ensuring access to the transition for all, as well as energy storage solutions to ensure the grid can manage the increased electrical load.

We all appreciate the importance of wind and solar power to help decarbonise our energy system – but there are other less obvious areas of the transition where the innovation is underappreciated and undervalued. You could have 100% renewable electricity production – but it would mean nothing if we do not have the infrastructure in place to put that clean electricity to use. Public charging stations are critical to this – and so too are the invisible grid management and energy storage solutions required to allow the grid to manage the increased electrical load.

Alexander Monk

Portfolio Manager, Global Resource Equities



### COMPANY CASE STUDY

One company that epitomises this less obvious innovation is Alfen.

Alfen is a small Dutch company offering high quality alternating current charging points as well as smart grid applications and energy storage solutions. Alfen's technologies are the 'linking pins' and 'enablers' of the electricity grid of the future, helping us connect, move, store and use all the new clean power we will all need.

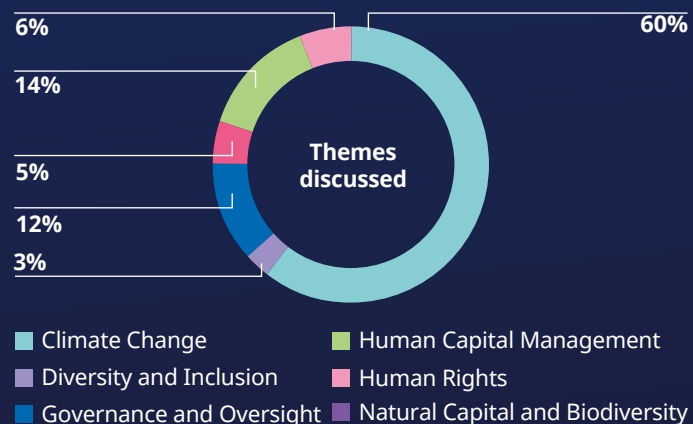
In 2021, it produced almost 115,000 charge points, that's up 107% compared to 2020. It has also supplied renewable energy to 206,000 households by connecting solar farms to the public grid.



OUR ENGAGEMENTS  
AND VOTINGCOMPANIES WE'VE  
ENGAGED WITH

We undertook 409 engagements this quarter with 314 companies listed. We show here whether we were tackling an environmental, social or governance issue with each. The chart shows how we categorised them by stakeholder, from employees and communities to governments and regulators. For further details about active ownership at Schroders, please contact your client director.

## Thematic breakdown of engagements



Company	E	S	G
<b>Academic &amp; Educational Services</b>			
YDUQS Participacoes	✓		
<b>Basic Materials</b>			
Alcoa	✓		
Anglo American	✓		
Anglo Pacific Group	✓		
Anglogold Ashanti Holdings	✓		
ArcelorMittal	✓		
Ashland	✓		
Barrick Gold	✓	✓	
BASF	✓		
BHP Group			✓
Brambles	✓		
Braskem	✓		
Centamin	✓		
Companhia Siderurgica Nacional	✓		
Covestro	✓		
CRH	✓		
Dow Chemical	✓		
First Quantum Minerals	✓		
Fortescue Metals Group	✓		✓
Freeport-McMoRan	✓		
HeidelbergCement	✓		
Henkel & Co		✓	
Hyundai Steel	✓		
Indah Kiat Pulp & Paper	✓		
International Paper	✓		
JFE Holdings	✓		
JSR	✓		
JSW Steel	✓		

Company	E	S	G
Kinross Gold	✓		
Klabin	✓		
Kobe Steel	✓		
Lenzing	✓		
Lotte Chemical	✓		
LyondellBasell Industries	✓		
Mitsubishi Chemical Group	✓		
Mitsubishi Gas Chemical Co	✓		
Nanofilm Technologies International	✓		
Newcrest Mining	✓		
Nippon Steel	✓		
Novelis	✓		
Nucor	✓		
PTT Global Chemical	✓		
RHI Magnesita	✓		
Sasol	✓		
Saudi Basic Industries	✓		
Sibanye Stillwater	✓		
Smurfit Kappa Group	✓		
South32	✓		
St Barbara	✓		
Steel Dynamics	✓		
Synthomer	✓		
Tata Steel	✓		
UBE	✓		
Umicore	✓		
Vale	✓		
Yunnan Energy New Material	✓		✓
Zijin Mining Group	✓	✓	
<b>Consumer Discretionary</b>			

The companies and sectors mentioned herein are for illustrative purposes only and are not to be considered a recommendation to buy or sell.



Company	E	S	G
AMC Networks			✓
Beenos			✓
Cafe De Coral Holdings			✓
Carnival	✓		
Ferguson	✓		
Fletcher Building	✓		
Forbo Holding	✓		
Fortune Brands Home & Security	✓		
Grafton Group			✓
Grupo Televisa		✓	
Halfords Group			✓
Hyundai Motor		✓	
InterContinental Hotels Group	✓		
Iochpe Maxion		✓	✓
JD.Com	✓	✓	
JS Global Lifestyle			✓
Li Auto	✓	✓	
Magna International	✓		
McDonald's	✓	✓	
Midea Group	✓	✓	✓
Nemak	✓		
NHK Spring			✓
Nichiha	✓		
Nike		✓	
Pacific Textiles Holdings	✓	✓	✓
Redrow			✓
Rockwool		✓	
Shenzhou International Group Holdings	✓	✓	
SJM Holdings	✓		

Company	E	S	G
Stanley Electric	✓		
Stellantis			✓
Sumitomo Forestry			✓
Ted Baker			✓
Travis Perkins			✓
TUI	✓		
Wal Mart de Mexico	✓		
Weichai Power	✓		
Whitbread Group	✓	✓	
Whitbread		✓	
Wilcon Depot	✓		
Yum China Holdings	✓		
Consumer Staples			
Alfa	✓		
Berkshire Hathaway	✓		
Bunge	✓		
Carrefour		✓	
Diageo	✓		
Etablissements Franz Colruyt		✓	
General Electric	✓		
Imperial Brands	✓		
Jinsbury		✓	
Japfa	✓		
Jardine Matheson Holdings	✓		✓
Marks and Spencer Group	✓	✓	
Molson Coors Beverage	✓		
Nestle		✓	
PALTAC	✓		
PepsiCo	✓		
Puregold Price Club			✓

Company	E	S	G
Reckitt Benckiser Group	✓		
Robinsons Retail Holdings	✓	✓	
Seven & i Holdings	✓		
Tesco	✓		
Tiger Brands	✓		
Tyson Foods	✓		
Unilever	✓	✓	
Uni-President China Holdings	✓		
Vietnam Dairy Products	✓		
Walgreens Boots Alliance		✓	
Walmart	✓		
Wilmar International	✓	✓	
Energy			
3R Petroleum Oleo e Gas		✓	✓
Antero Resources	✓		
BP	✓		
Cheniere Energy	✓		
China Petroleum & Chemical	✓		
Continental Resources	✓		
Diversified Energy Company	✓		
ENEOS Holdings	✓		
Energy Transfer	✓		
Eni	✓		
EnLink Midstream	✓		
EQT	✓		
Esken			✓
HF Sinclair	✓		
Indian Oil Corporation	✓		
Indika Energy	✓		
Inpex	✓		

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Company	E	S	G
JinkoSolar Holding	✓	✓	
Kinder Morgan Energy Partners	✓		
Mongolian Mining	✓		
Occidental Petroleum	✓		
Oil India	✓		
OMV	✓		
Ovintiv	✓		
Parkland Fuel	✓		
Petrofac	✓		
Petroleo Brasileiro Petrobras	✓		
Plains All American Pipeline	✓		
PTT Exploration and Production	✓		
Repsol	✓		
Shell	✓		✓
SK Innovation	✓		
S-Oil	✓		
Targa Resources	✓		✓
Valero Energy	✓		
Williams Companies	✓		
Xinyi Solar Holdings	✓	✓	
Financials			
B3 Brasil Bolsa Balcao	✓		
Banco Bilbao Vizcaya Argentaria	✓		
BNP Paribas	✓		
C&W Senior Financing		✓	
Capitec Bank Holdings		✓	
Citigroup	✓		
Credit Suisse Group			✓
DBS Bank	✓		
Deutsche Bahn Finance	✓		

Company	E	S	G
Erste Group Bank	✓		
FirstRand Bank		✓	
Goldmanchs Group	✓		
Greenko Mauritius		✓	✓
HDFC Bank	✓	✓	
HSBC Holdings	✓		
Intesanpaolo	✓		
Itau Unibanco Holding	✓		
KB Financial Group		✓	✓
Kenbourne Invest		✓	
Lloyds Banking Group	✓		
Natwest Group	✓		
NongHyup Bank			✓
ORIX	✓		
Paragon Banking Group			✓
Sampo	✓		
Siam Commercial Bank Public Company Limited			✓
Svenska Handelsbanken	✓		
UniCredit	✓		
United Overseas Bank			✓
Virgin Media Finance		✓	✓
Health Care			
Alcon	✓		
Aspen Pharmacare Holdings	✓		
Bayer	✓		
Bristol-Myers Squibb	✓		
Edwards Lifesciences			✓
Johnson & Johnson	✓	✓	
Koninklijke Philips	✓		

Company	E	S	G
Merck & Co	✓	✓	
Pacira Biosciences			✓
Roche Holding	✓		
Sanofi	✓		
Thermo Fisher Scientific (Finance I)	✓		
Thermo Fisher Scientific		✓	
Ucb	✓		
WuXi Biologics (Cayman)	✓		
Zoetis	✓	✓	
Industrials			
AP Moeller - Maersk	✓		
Aramark Services	✓		
Ardagh Packaging Finance	✓		✓
Autostrade per l'Italia	✓		
Babcock International Group		✓	
BAE Systems			✓
Bodycote	✓		
Boeing	✓		
Centre Testing International Group	✓	✓	
De La Rue	✓		
Delta Air Lines	✓		
Delta Electronics	✓	✓	
Fukushima Galilei			✓
Gongniu Group	✓	✓	
Gujarat Pipavav Port	✓	✓	
International Container Terminal Services		✓	
Itochu	✓		
LG Energy Solution	✓		
Mesa Laboratories		✓	

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Company	E	S	G
Nippon Yusen	✓		
Pacific Basin Shipping	✓		
Pagegroup		✓	
Rolls-Royce	✓		
Royal Mail		✓	
Sany Heavy Industry	✓		
Shandong Sinocera Functional Material	✓		
Stanley Black & Decker			✓
Sumitomo Heavy Industries		✓	✓
Union Pacific	✓		
United Parcel Service	✓		
Yokogawa Electric			✓
Real Estate			
CapitaLand Integrated Commercial Trust		✓	
Capitaland		✓	
China Overseas Land & Investment	✓	✓	✓
Crown Castle	✓		
Extrace Storage	✓		
Hang Lung Properties			✓
Hysan Development	✓		
Ingenia Communities Group	✓		
Mitsubishi Estate	✓	✓	✓
New World Development			✓
Public Storage	✓		
Sun Hung Kai Properties			✓
Technology			
Adobe	✓		
Advanced Micro-Fabrication Equipment China		✓	✓

Company	E	S	G
Alibaba Group Holding	✓		
America Movil		✓	✓
Apple	✓	✓	✓
ASMP	✓	✓	✓
Atp Tower Holdings		✓	
Axtel		✓	
British Telecommunications	✓		
BT Group	✓		
Bukalapak.com	✓	✓	
Comcast	✓	✓	
Consolidated Communications Holdings		✓	
Corning	✓		
Digicel		✓	
discoverIE Group		✓	
eBay		✓	
GB Group			✓
Grab Holdings		✓	
Infrastrutture Wireless Italiane			✓
Kingdee International Software Group	✓	✓	
Kohyoung Technology			✓
Lenovo Group	✓		✓
Longshine Technology Group		✓	
ME Group International			✓
Meta Platforms	✓	✓	
Microsoft	✓	✓	
Naspers	✓		
Netflix			✓
NEXTDC	✓		
Nippon Electric Glass	✓		

Company	E	S	G
Orange	✓	✓	✓
Sea		✓	✓
Sixsigma Networks Mexico		✓	
Telkom	✓		
Total Play Telecomunicaciones		✓	
Viasat		✓	
Viavi Solutions			✓
VTR Comunicaciones		✓	
ZWSOFT Guangzhou		✓	
Utilities			
American Electric Power Company	✓		
CenterPoint Energy	✓		
Centrica	✓		✓
China Three Gorges	✓		
Cikarang Listrindo	✓		
CK Infrastructure Holdings	✓		
Drax Group	✓		✓
EDP Energias de Portugal		✓	✓
Electricite de France	✓		
Electricity Generating	✓		
Enel	✓		
Engie Brasil Energia	✓		
Engie			✓
EVN	✓		
National Grid	✓		
Saudi Electricity Company	✓		
Sembcorp Industries	✓		
Shenzhen Energy Group	✓		
SSE	✓		
Tohoku Electric Power	✓		

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