PUBLIC TRANSPARENCY REPORT

2025

Legal & General Investment Management (Holdings)

Generated 24-11-2025

About this report

PRI reporting is the largest global reporting project on responsible investment.

It was developed with investors, for investors. PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders. This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2025 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2025 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

■ Why does your organisation engage in responsible investment?
■ What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Our commitment to responsible investing is reflected in L&G's purpose: "Investing for the long term. Our futures depend on it." As a universal owner on behalf of our clients, we take responsibility to seek to address key macro and systemic risks, with the aim of tackling market issues and accelerating progress against complex, global sustainability challenges. Our investment philosophy and processes are focused on creating value over the long term. We believe that incorporating financially material sustainability criteria, when relevant to our clients, can create value and drive positive change. As one of the largest asset managers in the UK, with assets under management at £1.118 trillion (as of 31st December 2024), we recognise the importance of leveraging our scale and influence to create long-term value through responsible investing.
We have been committed to active engagement to represent investor rights since L&G's Asset Management business was established in 1970, and our dedicated Investment Stewardship team was formed in 2000. Our approach to responsible investing takes into account the nuances of the different asset classes and investment styles:
- Index strategies: As a universal owner, we engage with investee companies from across our global portfolio, whether as a shareholder or a credit investor. Within certain strategies, we deploy tools including selection, 'tilting', and exclusions based on criteria such as our ESG score, as well as sustainability-related thematic exposures.
- Active strategies: We deploy proprietary capabilities, including the Active ESG View, to evaluate material factors as part of our research, portfolio construction and security selection process.
The extent to which we consider ESG factors depends on a specific portfolio's objectives and policies.
- Multi-asset: We integrate responsible investing insights into our strategic and tactical asset allocation frameworks, to inform decision-making on financially material aspects. In addition, we assess how third-party managers embed ESG considerations at the firm and product level.
- Private credit: As long-term debt investors, we focus on evaluating ESG-related risks, including identifying and strengthening the areas where we believe we can be influential, including our pre-investment assessment processes and our approach to engagement throughout the investment lifecycle. Where possible, we engage with borrowers to support increased disclosure and to help drive more positive outcomes, which can include structuring transactions to minimise sustainability risks and incorporate regular sustainability reporting.
- Real estate: Sustainability is integrated in our investment processes across real estate to aim for the full realisation of environmental and social opportunities and effective management of risks.
This is supported by a programme of occupier engagement, working in partnership with our tenants towards shared sustainability objectives.
- Solutions: We integrate financially material ESG considerations in portfolios including all Buy & Maintain credit mandates, utilising the Active ESG View. We also manage mandates which incorporate specific climate objectives.
- In private markets, we will continue to aim to drive long-term investment value and resilience across our portfolios through our four pillar sustainability framework focused on inclusive economy, health, wellbeing and quality of life, climate mitigation and resilience, and protecting and enhancing nature.
Our 'universal ownership' approach to investment stewardship means that we believe in using corporate engagement and policy dialogue to drive long-term value creation and shape the future by encouraging more sustainable, long-term practices from companies.
We aim to drive long-term value creation by working with companies and policy stakeholders to create opportunities and take action to mitigate systemic risks. We believe effective stewardship involves working with companies, regulators, policymakers, peers, and other stakeholders around the world to tackle systemic risks. By doing this, we aim to help businesses address financially material issues and look to generate sustainable, long-term returns for our clients. Together with our clients, and subject to our legal duties including our fiduciary duties, we have continued to work towards net zero AUM by 2050, with an interim target of 70% net zero AUM by 2030.
Additionally, we are signatories of the COP26 commitment to eliminate agricultural commodity driven deforestation from investment portfolios. We have continued to make progress towards our commitments to achieve net zero carbon by 2050 or sooner for real estate property assets.

Section 2. Annual overview

■ Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
■ Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
• refinement of ESG analysis and incorporation
• stewardship activities with investees and/or with policymakers
• collaborative engagements
• attainment of responsible investment certifications and/or awards

In 2024, our Climate Impact Pledge (CIP) engagement programme covered 55% of total corporate securities by value, and 82% of total carbon emissions attributable to L&G's Asset Management's corporate equity and debt holdings. The CIP engagement approach is two-fold; each stream (quantitative and qualitative) has different inputs, approaches, escalations and potential sanctions. We quantitatively assess over 5,000 companies across 20 'climate critical' sectors. These assessments can lead to voting sanctions, which are typically a vote against the company chair. Within this universe of companies, we engage directly with a group of 100+ 'dial movers', identified for their size and potential to galvanise climate action in their sectors.
Where the rate of progress is insufficient, voting sanctions and divestment can be applied in certain portfolios. In 2024, we significantly expanded our engagement outreach - communicating with over half of the 5,000+ companies analysed under our CIP quantitative assessment. In April 2024, we wrote to more than 2,800 companies assessed under our CIP ratings, up from 1,500 companies contacted in 2023. This is the largest outreach we have undertaken to date on any engagement topic. Our 2024 introduction of 'baseline' expectations for the oil & gas, mining and utilities sectors led to more companies being identified for voting sanctions in the oil & gas and mining sectors. However, most companies in these sectors that had been subject to voting sanctions in 2023 improved sufficiently to avoid a repeat in 2024. During the 2024 voting season, 455 companies within the quantitative stream of the CIP were identified as subject to voting sanctions. Of these, 106 companies were in emission-intensive sectors and did not meet our new 'baseline' expectations. The sectors with the highest proportion of companies that failed to meet our minimum standards were oil & gas, electric utilities and property. Among our 'dial mover' companies, we identified 37 companies subject to voting sanctions in 2024, following direct engagement, down from 43 in 2023. We added two companies to the CIP divestment list in 2024 (Glencore and TJX), taking the total to 16. In addition to our corporate engagement (4,399 engagements across 3,447 companies), we conducted 270 policy engagements across the spectrum of global stakeholders (including NGOs, government departments, stock exchanges and industry associations) in 2024, with the highest number being in Asia (ex Japan), and the most frequently discussed theme being climate change.
Collaborations, where legally permissible, continue to play an important role for us in both policy and corporate engagement. We believe that collaborating with like-minded investors on shared goals aligned with our published policies and expectations helps drive market-level change on sustainability themes. As an example, we joined the Asia Investor Group on Climate Change (AIGCC) in August 2023 to increase our collaborative engagement and policy dialogue in the region through a well-established climate engagement platform. Through the AIGCC, in 2024, as a co-lead on the Singapore climate adaptation policy engagement stream, we were joined by the Confederation of British Industry (CBI) to discuss its recently published climate-resilience taxonomy for bonds. Other participants included representatives from the Monetary Authority of Singapore, the national climate change secretariat, the Singapore Stock Exchange, and local and international financial institutions.
The aim was to identify common language in financing climate adaptation and resilience, and to explore how financial institutions can use the taxonomy in engagement to go beyond mitigation, and work towards adaptation.
Responsible investment certifications and awards from 2024:
• a 5* ranking from the UN PRI for five modules: Policy governance and strategy, Passive equity, Real estate, Fixed income (SSA) and Fixed income (corporate)
• A+ stewardship score from InfluenceMap
• A rating from ShareAction for our approach to responsible investment
• Recognised by ShareAction for our proactive voting, despite being predominantly an index manager We also won the following industry awards for our efforts in responsible investing:
• Pensions Age Awards (UK) - Sustainability Provider of the Year
• Professional Pensions (UK) - ESG Manager of the Year
• Pensions Expert (UK) - ESG Impact Manager of the Year
• ESG Identity Awards (Italy) - ESG Asset Management
• Hirschel & Kramer (EU) - Responsible Investment Brand Index
• IEX Golden Bull Awards (NL) - Responsible ETFs.

Section 3. Next steps

■ What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Climate and nature will remain priority areas for responsible investment across our asset management public market strategies. We will continue to refine our approach and methodologies to ensure adherence to best practice and alignment with our clients' climate objectives. For example, in 2024, in line with the International Energy Agency's (IEA) net-zero emissions scenario, we tightened the exclusions criteria for oil sands and companies involved in the expansion of coal mining and/or power generation capacity ("no new coal" criteria) within the Future World Protection List (FWPL). The FWPL is a key L&G exclusion list, specifically developed for L&G's Future World fund range, but also in use across other select funds. The list is a set of exclusions based on companies that fail to meet either globally accepted principles of business practice, or whose operations are incompatible with a low-carbon transition.
On the nature front, over the last year we have stepped up our efforts to understand how our business affects and depends on nature. In 2024, L&G announced its plan to follow Taskforce on Nature-related Financial Disclosures (TNFD) recommendations and include these disclosures in its annual climate and nature report. As the data on nature-related issues grows, we aim to keep improving how we assess our investments' dependencies, impacts, risks and opportunities related to nature. In 2025, we will continue to enhance our responsible investing framework and fund-level strategies, setting our approach to evolving responsible investing regulation, and ensuring our public markets product propositions continue to meet client objectives. We continued to co-lead the GFANZ workstream on index investing. In October 2024, GFANZ published the workstream's consultation paper, Index Guidance to Support Real Economy Decarbonization.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Amelia Tan

Position

Head of Responsible Investment and Stewardship, L&G – Asset Management

Organisation's Name

Legal & General Investment Management (Holdings)

◉ **A**
'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.
○ B

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO)

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 1	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which international or regional ESG-related legislation(s) and/or regulation(s) did your organisation report?

☐ (A) Corporate Sustainability Reporting Directive (CSRD) [European Union]
☐ (B) Directive on AIFM (2011/61/EU) [European Union]
☑ **(C) Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers (PS21/24) [United Kingdom]**
☐ (D) EU Taxonomy Regulation [European Union]
☑ **(E) Improving shareholder engagement and increasing transparency around stewardship (PS19/13) [United Kingdom]**
☐ (F) IORP II (Directive 2016/2341) [European Union]
☐ (G) Law on Energy and Climate (Article 29) [France]
☐ (H) MiFID II (2017/565) [European Union]
☑ **(I) Modern Slavery Act [United Kingdom]**
☐ (J) PEPP Regulation (2019/1238) [European Union]
☐ (K) PRIIPS Regulation (2016/2340 and 2014/286) [European Union]
☐ (L) Regulation on the Integration of Sustainability Risks in the Governance of Insurance and Reinsurance Undertakings (2021/1256) [European Union]
☑ **(M) SFDR Regulation (2019/2088) [European Union]**
☐ (N) SRD II (Directive 2017/828) [European Union]
☐ (O) The Occupational Pension Schemes Regulation on Climate Change Governance and Reporting [United Kingdom]
☐ (P) Climate Risk Management (Guideline B-15) [Canada]
☐ (Q) Continuous Disclosure Obligations (National Instrument 51-102) [Canada]
☐ (R) Disposiciones de Carácter General Aplicables a los Fondos de Inversión y a las Personas que les Prestan Servicios (SIEFORE) [Mexico]
☐ (S) Instrucciones para la Integración de Dactores ASG en Los Mecanismos de Revelación de Información para FIC (External Circular 005, updated) [Colombia]
☐ (T) Provides for the creation, operation, and disclosure of information of investment funds, as well as the provision of services for the funds, and revokes the regulations that specifies (CVM Resolution No. 175) [Brazil]
☐ (U) SEC Expansion of the Names Rule [United States of America]
☐ (V) SEC Pay Ratio Disclosure Rule [United States of America]
☐ (W) ASIC RG65 Section 1013DA Disclosure Guidelines [Australia]
☐ (X) Circular to Licensed Corporations: Management and Disclosure of Climate-related Risks by Fund Managers [Hong Kong SAR]
☐ (Y) Financial Investment Services and Capital Markets Act (FSCMA) [Republic of Korea]
☐ (Z) Financial Instruments and Exchange Act (FIEA) [Japan]
☐ (AA) Financial Markets Conduct Act [New Zealand]
☐ (AB) Guiding Opinions on Regulating the Asset Management Business of Financial Institutions [China]
☐ (AC) Guidelines on Environmental Risk Management for Asset Managers [Singapore]
☐ (AD) Guidelines on Sustainable and Responsible Investment Funds [Malaysia]
☐ (AE) Modern Slavery Act (2018) [Australia]

☐ (AF) Stewardship Code for all Mutual Funds and All Categories of AIFs [India]
☐ (AG) ADGM Sustainable Finance Regulatory Framework [United Arab Emirates]
☐ (AH) JSE Limited Listings Requirements [South Africa]
☐ (AI) Other
☐ (AJ) Other
☐ (AK) Other
☐ (AL) Other
☐ (AM) Other
○ (AN) Not applicable; our organisation did not report to any ESG-related legislation and/or regulation during the reporting year.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 2	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which voluntary responsible investment/ESG frameworks did your organisation report?

☐ (A) Asset Owners Stewardship Code [Australia]
☐ (B) Código Brasileiro de Stewardship [Brazil]
☐ (C) New Zealand Stewardship Code
☐ (D) Principles for Responsible Institutional Investors (Stewardship Code) [Japan]
☑ **(E) Stewardship Code [United Kingdom]**
☐ (F) Stewardship Framework for Institutional Investors [United States of America]
☐ (G) CFA Institute ESG Disclosure Standards for Investment Products [Global]
☑ **(H) Guidelines on Funds' Names using ESG or Sustainability-related Terms [European Union]**
☐ (I) Luxflag ESG Label [Luxembourg]
☐ (J) RIAA Responsible Investment Certification Program [Australia]
☐ (K) SRI Label [France]
☐ (L) ANBIMA Code of Regulation and Best Practices of Investment Funds [Brazil]
☐ (M) Code for Institutional Investors 2022 [Malaysia]
☐ (N) Code for Responsible Investing in South Africa (CRISA 2) [South Africa]
☐ (O) Corporate Governance Guidelines [Canada]
☐ (P) Defined Contribution Code of Practice [United Kingdom]
☐ (Q) European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Guidelines [Global]
☑ **(R) Global ESG Benchmark for Real Assets (GRESB) [Global]**
☐ (S) Global Impact Investing Network (GIIN) Impact Reporting and Investment Standards (IRIS+) [Global]
☐ (T) OECD Guidelines for MNES - Responsible Business Conduct for Institutional Investors [Global]
☐ (U) UN Guiding Principles (UNGP) on Business and Human Rights [Global]
☑ **(V) Net Zero Asset Managers (NZAM) Initiative [Global]**
☐ (W) Net-Zero Asset Owner Alliance (NZAOA) [Global]
☑ **(X) Recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) [Global]**
☐ (Y) The Net Zero Investment Framework (NZIF) 2.0 [Global]
☐ (Z) Recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD) [Global]
☐ (AA) Global Reporting Initiative (GRI) Standards [Global]
☐ (AB) IFC Performance Standard [Global]
☐ (AC) International Sustainability Standards Board (ISSB) Standards [Global]
☐ (AD) Sustainability Accounting Standards Board (SASB) Standards [Global]
☐ (AE) Other
☐ (AF) Other
☐ (AG) Other
☐ (AH) Other
☐ (AI) Other
○ (AJ) Not applicable; our organisation did not report to any voluntary responsible investment/ESG frameworks during the reporting year.

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2024

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

○ (A) Yes
◉ **(B) No**

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

	USD
(A) AUM of your organisation, including subsidiaries not part of row (B), and excluding the AUM subject to execution, advisory, custody, or research advisory only	US$ 1,399,326,000,000.00
(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]	US$ 0.00
(C) AUM subject to execution, advisory, custody, or research advisory only	US$ 0.00

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	>10-50%	0%
(B) Fixed income	>10-50%	0%
(C) Private equity	0%	0%
(D) Real estate	>0-10%	0%
(E) Infrastructure	>0-10%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	>10-50%	0%
(J) Off-balance sheet	0%	0%

(I) Other - (1) Percentage of Internally managed AUM - Specify:

LDI structured products and multi asset funds not included in other categories

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity	>75%
(B) Active – quantitative	0%
(C) Active – fundamental	>0-10%
(D) Other strategies	0%

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA	>10-50%
(B) Passive – corporate	>0-10%
(C) Active – SSA	>0-10%
(D) Active – corporate	>10-50%
(E) Securitised	0%
(F) Private debt	>0-10%

ASSET BREAKDOWN: INTERNALLY MANAGED REAL ESTATE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 RE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed real estate	GENERAL

Provide a further breakdown of your internally managed real estate AUM.

(A) Retail	>0-10%
(B) Office	>10-50%
(C) Industrial	>10-50%
(D) Residential	>10-50%
(E) Hotel	>0-10%
(F) Lodging, leisure and recreation	>0-10%
(G) Education	>0-10%
(H) Technology or science	>0-10%
(I) Healthcare	>0-10%
(J) Mixed use	>0-10%
(K) Other	>0-10%

(K) Other - Specify:

Parking and self-storage

Additional context to your response(s): (Voluntary)

The method of calculation for real estate and infrastructure figures differs from other asset classes and the summary figures. This is due to the nature of the asset classes, with the private market figures provided by a 3rd party.

ASSET BREAKDOWN: INTERNALLY MANAGED INFRASTRUCTURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 INF	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed infrastructure	GENERAL

Provide a further breakdown of your internally managed infrastructure AUM.

(A) Data infrastructure	0%
(B) Diversified	0%
(C) Energy and water resources	0%
(D) Environmental services	0%
(E) Network utilities	0%
(F) Power generation (excl. renewables)	0%
(G) Renewable power	>75%
(H) Social infrastructure	0%
(I) Transport	0%
(J) Other	0%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

	AUM in Emerging Markets and Developing Economies
(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(3) >10 to 20%
(C) Fixed income – corporate	(2) >0 to 10%
(E) Fixed income – private debt	(2) >0 to 10%
(G) Real estate	(1) 0%
(H) Infrastructure	(1) 0%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive
(A) Yes, through internal staff	☑	☑	☑	☑
(B) Yes, through service providers	☐	☐	☐	☐
(C) Yes, through external managers	☐	☐	☐	☐

(D) We do not conduct stewardship	○	○	○	○

	(6) Real estate	(7) Infrastructure	(11) Other
(A) Yes, through internal staff	☑	☑	☑
(B) Yes, through service providers	☐	☐	☐
(C) Yes, through external managers	☐	☐	☐
(D) We do not conduct stewardship	○	○	○

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active	(2) Listed equity - passive
(A) Yes, through internal staff	☑	☑
(B) Yes, through service providers	☐	☐
(C) Yes, through external managers	☐	☐
(D) We do not conduct (proxy) voting	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

	Percentage of your listed equity holdings over which you have the discretion to vote
(A) Listed equity – active	(9) >70 to 80%
(B) Listed equity - passive	(10) >80 to 90%

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(A) Listed equity - passive	◉	○
(C) Listed equity - active - fundamental	◉	○
(E) Fixed income - SSA	◉	○
(F) Fixed income - corporate	◉	○
(H) Fixed income - private debt	◉	○
(J) Real estate	◉	○
(K) Infrastructure	◉	○

(V) Other: LDI structured products and multi asset funds not included in other categories	◉	○

ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

Describe how your organisation incorporates ESG factors into the following asset classes.

Internally managed
(C) Other

In our Multi Asset strategies we integrate ESG factors into our strategic and tactical asset allocation frameworks, to inform decision-making on all financially-material aspects. In addition, we assess how third-party managers embed ESG considerations at the firm and product level.
In our derivative overlay strategies, the primary incorporation of ESG is through engagement with counterparties.

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

	Percentage out of total internally managed active listed equity
(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	0%
(E) Thematic and integration	0%
(F) Screening and thematic	0%

(G) All three approaches combined	>75%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

	Percentage coverage out of your total listed equity assets where a screening approach is applied
(A) Positive/best-in-class screening only	0%
(B) Negative screening only	>75%
(C) A combination of screening approaches	0%

FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

	(1) Fixed income - SSA	(2) Fixed income - corporate
(A) Screening alone	0%	0%
(B) Thematic alone	0%	0%
(C) Integration alone	0%	0%
(D) Screening and integration	>75%	>75%

(E) Thematic and integration	0%	0%
(F) Screening and thematic	0%	0%
(G) All three approaches combined	>10-50%	>10-50%
(H) None	0%	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

	(1) Fixed income - SSA	(2) Fixed income - corporate
(A) Positive/best-in-class screening only	0%	0%
(B) Negative screening only	>75%	>75%
(C) A combination of screening approaches	0%	0%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

◉ **(A) Yes, we market products and/or funds as ESG and/or sustainable**
Provide the percentage of total AUM that your ESG and/or sustainability-marketed products or funds represent:

>10-50%

○ (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
○ (C) Not applicable; we do not offer products or funds

Additional context to your response(s): (Voluntary)

L&G-Asset Management's threshold for categorising a mandate or a fund as RI requires that the portfolio or client mandate includes a deliberate and positive expression of responsible investing characteristics which must be directly referenced in the documentation governing the investment vehicle or client's mandate. This expression could be exclusions; ESG outcome focus; impact; or a combination of these.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

◉ **(A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications**
Provide the percentage of total AUM that your labelled and/or certified products and/or funds represent:

>0-10%

○ (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

Which ESG/RI certifications or labels do you hold?

☐ (A) Commodity type label (e.g. BCI)
☑ **(B) GRESB**
☐ (C) Austrian Ecolabel (UZ49)
☐ (D) B Corporation
☑ **(E) BREEAM**
☐ (F) CBI Climate Bonds Standard
☐ (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
☐ (H) DDV-Nachhaltigkeitskodex-ESG-Impact
☐ (I) EU Ecolabel
☐ (J) EU Green Bond Standard
☑ **(K) Febelfin label (Belgium)**
☐ (L) Finansol
☐ (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
☐ (N) Greenfin label (France)
☐ (O) Grüner Pfandbrief
☐ (P) ICMA Green Bond Principles
☐ (Q) ICMA Social Bonds Principles
☐ (R) ICMA Sustainability Bonds Principles
☐ (S) ICMA Sustainability-linked Bonds Principles
☐ (T) Kein Verstoß gegen Atomwaffensperrvertrag
☐ (U) Le label ISR (French government SRI label)
☐ (V) Luxflag Climate Finance
☐ (W) Luxflag Environment
☐ (X) Luxflag ESG
☐ (Y) Luxflag Green Bond
☐ (Z) Luxflag Microfinance
☐ (AA) Luxflag Sustainable Insurance Products
☑ **(AB) National stewardship code**

Specify:

FRC UK Stewardship Code

☐ (AC) Nordic Swan Ecolabel
☐ (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
☐ (AE) People's Bank of China green bond guidelines
☐ (AF) RIAA (Australia)
☑ **(AG) Towards Sustainability label (Belgium)**
☐ (AH) Other

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PUBLIC	Passive investments	1

What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?

	Percentage of AUM that utilise an ESG index or benchmark
(A) Listed equity - passive	>10-50%
(B) Fixed income - passive	>10-50%

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PUBLIC	Thematic bonds	1

What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?

	Percentage of your total environmental and/or social thematic bonds labelled by the issuers
(A) Green or climate bonds	0%
(B) Social bonds	0%
(C) Sustainability bonds	0%
(D) Sustainability-linked bonds	0%

(E) SDG or SDG-linked bonds	0%
(F) Other	>75%
(G) Bonds not labelled by the issuer	0%

(F) Other - Specify:

L&G-Asset Management's approach to fixed income investing is agnostic of environmental and social labels and is focused on the material issues that affect the underlying issuer rather than bond labels assigned.

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	◉	○	○
Confidence Building Measures	◉	○	○
(A) Listed equity – passive	◉	○	○
(C) Listed equity – active – fundamental	◉	○	○
(E) Fixed income – SSA	◉	○	○
(F) Fixed income – corporate	◉	○	○
(H) Fixed income – private debt	◉	○	○

(J) Real estate	◉	○	○
(K) Infrastructure	○	○	◉

OTHER ASSET BREAKDOWNS

REAL ESTATE: BUILDING TYPE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 24	CORE	OO 21	RE 1, RE 9 - 10	PUBLIC	Real estate: Building type	GENERAL

What is the building type of your physical real estate assets?

☑ **(A) Standing investments**
☑ **(B) New construction**
☑ **(C) Major renovation**

REAL ESTATE: OWNERSHIP LEVEL

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 25	CORE	OO 21	N/A	PUBLIC	Real estate: Ownership level	GENERAL

What is the percentage breakdown of your physical real estate assets by the level of ownership?

☑ **(A) A majority stake (more than 50%)**
Select from the list:
- ○ (1) >0 to 10%
- ○ (2) >10 to 50%
- ○ (3) >50 to 75%
- ◉ **(4) >75%**

☐ (B) A significant minority stake (between 10–50%)
☐ (C) A limited minority stake (less than 10%)

REAL ESTATE: MANAGEMENT TYPE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 26	CORE	OO 21	RE 1, RE 6–8, RE 13	PUBLIC	Real estate: Management type	GENERAL

Who manages your physical real estate assets?

☑ **(A) Direct management by our organisation**
☑ **(B) Third-party property managers that our organisation appoints**

☐ (C) Other investors or their third-party property managers
☑ **(D) Tenant(s) with operational control**

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

○ (A) Publish as absolute numbers
◉ **(B) Publish as ranges**

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

☑ **(A) Overall approach to responsible investment**
☑ **(B) Guidelines on environmental factors**
☑ **(C) Guidelines on social factors**
☑ **(D) Guidelines on governance factors**
☑ **(E) Guidelines on sustainability outcomes**
☑ **(F) Guidelines tailored to the specific asset class(es) we hold**
☑ **(G) Guidelines on exclusions**
☑ **(H) Guidelines on managing conflicts of interest related to responsible investment**
☑ **(I) Stewardship: Guidelines on engagement with investees**
☑ **(J) Stewardship: Guidelines on overall political engagement**
☑ **(K) Stewardship: Guidelines on engagement with other key stakeholders**
☑ **(L) Stewardship: Guidelines on (proxy) voting**
☑ **(M) Other responsible investment elements not listed here**
Specify:

Organisation and governance structure; Adherence to responsible investment conduct codes

○ (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

☑ **(A) Specific guidelines on climate change (may be part of guidelines on environmental factors)**
☑ **(B) Specific guidelines on human rights (may be part of guidelines on social factors)**
☑ **(C) Specific guidelines on other systematic sustainability issues**

Specify:

We believe ongoing scrutiny of, and improvements to, our policies are key to meeting our goals as a long-term, responsible investor. Our engagement and voting decisions are guided by policies that are researched and fine-tuned every year. They incorporate specific market policies that allow for local nuances to align with best practices. Our policies range from minimum expectations, such as requiring financial expertise on the audit committee or having climate transition plans aligned with a 1.5°C global temperature increase, to clarifications around incentive pay performance targets, links to stakeholder experiences and ESG measures, alongside voting stances to oppose combined chair/CEO roles and all-male boards globally. As part of the annual review process, in addition to reviewing and updating our global and regional corporate governance and responsible investment policies, we also refreshed and published separate thematic policy documents to elaborate on individual policy stances and thought pieces.
Under our Climate Impact Pledge, we set out sector-specific expectations and minimum standards which we expect companies to meet. We publish detailed expectations on corporate governance matters, across environmental, social and governance factors. We expect all companies in which we invest on a global scale to closely align with our principles, which set out the fundamentals of corporate governance. When developing our policies, we not only look at local market and regulatory expectations, but also broader global guidelines and principles such as those provided by the United Nations Global Compact, OECD guidelines and ILO conventions and recommendations. The extent to which we apply these policies takes into account the governance landscape of each market, allowing some leeway for those markets that are still developing their governance policies.

- ○ (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

☑ **(A) Overall approach to responsible investment**
Add link:

https://am.landg.com/asset/493f22/globalassets/lgim/_document-library/capabilities/sustainability-policy-lgimh.pdf

☑ **(B) Guidelines on environmental factors**
Add link:

https://am.landg.com/asset/496002/globalassets/lgim/_document-library/capabilities/lgim-global-corporate-governance-and-responsible-investment-principles.pdf

☑ **(C) Guidelines on social factors**
Add link:

https://am.landg.com/asset/4a6cec/globalassets/lgim/_document-library/capabilities/lgim-diversity-policy-2023.pdf

☑ **(D) Guidelines on governance factors**
Add link:

https://www.lgim.com/landg-assets/lgim/_document-library/capabilities/lgim-global-corporate-governance-and-responsible-investment-principles.pdf

☑ **(E) Guidelines on sustainability outcomes**
Add link:

https://am.landg.com/asset/493f22/globalassets/lgim/_document-library/capabilities/sustainability-policy-lgimh.pdf

☑ **(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**
Add link:

https://am.landg.com/en-uk/institutional/responsible-investing/climate-impact-pledge#sector-guides

☑ **(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

https://am.landg.com/asset/4af68d/globalassets/lgim/lgim-human-rights-policy-004_v2.0-1.pdf

☑ **(H) Specific guidelines on other systematic sustainability issues**
Add link:

https://am.landg.com/asset/496002/globalassets/lgim/_document-library/capabilities/lgim-global-corporate-governance-and-responsible-investment-principles.pdf

☑ **(I) Guidelines tailored to the specific asset class(es) we hold**
Add link:

https://am.landg.com/asset/493f22/globalassets/lgim/_document-library/capabilities/sustainability-policy-lgimh.pdf

☑ **(J) Guidelines on exclusions**
Add link:

https://am.landg.com/asset/49f5a0/globalassets/lgim/_document-library/capabilities/future-world-protection-list-public-methodology.pdf

☑ **(K) Guidelines on managing conflicts of interest related to responsible investment**
Add link:

https://am.landg.com/asset/49916f/globalassets/lgim/_document-library/responsible-investing/stewardship-conflicts-of-interest.pdf/

☑ **(L) Stewardship: Guidelines on engagement with investees**
Add link:

https://am.landg.com/asset/493c9b/globalassets/lgim/_document-library/capabilities/lgim-engagement-policy.pdf

☑ **(M) Stewardship: Guidelines on overall political engagement**
Add link:

https://am.landg.com/asset/493f22/globalassets/lgim/_document-library/capabilities/sustainability-policy-lgimh.pdf

☑ **(N) Stewardship: Guidelines on engagement with other key stakeholders**
Add link:

https://am.landg.com/asset/493f22/globalassets/lgim/_document-library/capabilities/sustainability-policy-lgimh.pdf

☑ **(O) Stewardship: Guidelines on (proxy) voting**
Add link:

https://am.landg.com/asset/496002/globalassets/lgim/_document-library/capabilities/lgim-global-corporate-governance-and-responsible-investment-principles.pdf

☑ **(P) Other responsible investment aspects not listed here**
Add link:

https://am.landg.com/asset/499590/globalassets/lgim/_document-library/responsible-investing/active-ownership-2024-long-report.pdf/

○ (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

◉ **(A) Yes**
Elaborate:

We believe the consideration of sustainability risks reflects a core part of our fiduciary role to act in the best interest of our clients. This starts with identifying key macroeconomic sustainability risks that could result from inaction in response to the world's environmental or societal challenges. We also believe opportunities arise from long-term sustainability-related structural changes that can be value-creating for investment portfolios. Our policies generally describe why these issues are relevant for our clients' portfolios. We combine an analysis of these macro drivers with sector level and issuer-level analysis to determine whether and how companies and assets are positioned with respect to the sustainability risks and opportunities for value creation that are most relevant to them. Our global stewardship themes are based on environmental, social and governance issues that direct most of our sustainability-oriented research and engagement.

○ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

☑ **(A) Overall stewardship objectives**
☑ **(B) Prioritisation of specific ESG factors to be advanced via stewardship activities**
☑ **(C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts**
☑ **(D) How different stewardship tools and activities are used across the organisation**
☑ **(E) Approach to escalation in stewardship**
☑ **(F) Approach to collaboration in stewardship**
☑ **(G) Conflicts of interest related to stewardship**
☑ **(H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa**
☐ (I) Other
○ (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

☑ **(A) Yes, it includes voting principles and/or guidelines on specific environmental factors**
☑ **(B) Yes, it includes voting principles and/or guidelines on specific social factors**

☑ **(C) Yes, it includes voting principles and/or guidelines on specific governance factors**
○ (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

◉ **(A) We have a publicly available policy to address (proxy) voting in our securities lending programme**
Add link(s):

https://am.landg.com/asset/499590/globalassets/lgim/_document-library/responsible-investing/active-ownership-2024-long-report.pdf/

○ (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
○ (C) We rely on the policy of our external service provider(s)
○ (D) We do not have a policy to address (proxy) voting in our securities lending programme
○ (E) Not applicable; we do not have a securities lending programme

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

	Combined AUM coverage of all policy elements
(A) Overall approach to responsible investment (B) Guidelines on environmental factors (C) Guidelines on social factors (D) Guidelines on governance factors	(7) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

	AUM coverage
(A) Specific guidelines on climate change	(1) for all of our AUM
(B) Specific guidelines on human rights	(1) for all of our AUM
(C) Specific guidelines on other systematic sustainability issues	(1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☑ **(A) Listed equity**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(B) Fixed income**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%

- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(D) Real estate**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(E) Infrastructure**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☐ (I) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

☑ **(A) Actively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(B) Passively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%

- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

☑ **(A) Board members, trustees, or equivalent**
☑ **(B) Senior executive-level staff, or equivalent**
Specify:

Investment Stewardship Committee: dedicated sub-committee of L&G-Asset Management board chaired by Independent NED; comprises all NEDs, CEO & CIO, and briefed by Head of RI & Stewardship. Monitors & reviews L&G-Asset Managements role as investor on corporate governance & investment stewardship matters; oversees consistent application of key policies as required to achieve Asset Management's objectives & principles; has oversight of potential conflicts of interests & contentious governance issues

☑ **(C) Investment committee, or equivalent**
Specify:

Alongside the Responsible Investment Oversight Committee, which oversees public markets responsible investment portfolio characteristics, the Responsible Investment Oversight Matters Committee covers private markets and recommends ESG fund regulatory classification to the Product Governance Committee and confirms adherence of relevant products to our Net Zero Framework. Implementation and oversight is at executive and board level.

☑ **(D) Head of department, or equivalent**
Specify department:

Amelia Tan: Head of Responsible Investment and Investment Stewardship Shuen Chan – Head of Responsible Investment and Sustainability - Private Markets Sonja Laud - Chief Investment Officer Bill Hughes - Global Head of Private Markets

○ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	☑	☑
(B) Guidelines on environmental, social and/or governance factors	☐	☑
(C) Guidelines on sustainability outcomes	☐	☑
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	☐	☑
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	☐	☑
(F) Specific guidelines on other systematic sustainability issues	☑	☑
(G) Guidelines tailored to the specific asset class(es) we hold	☐	☑
(H) Guidelines on exclusions	☑	☑
(I) Guidelines on managing conflicts of interest related to responsible investment	☑	☑
(J) Stewardship: Guidelines on engagement with investees	☐	☑
(K) Stewardship: Guidelines on overall political engagement	☑	☑

(L) Stewardship: Guidelines on engagement with other key stakeholders	☐	☑
(M) Stewardship: Guidelines on (proxy) voting	☑	☑
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

◉ **(A) Yes**

Describe how you do this:

Our firm-wide Sustainability Policy (providing an overview of our responsible investing approach), our L&G-wide Conflicts of Interest Policy (providing an overview of the practical processes to identify, manage and mitigate potential conflicts of interest), accompanied by our Stewardship Conflicts of Interest approach, are essential in being able to engage on policy with a view to protecting clients' assets and raising market standards. Our global thematic approach to engagement across all stakeholders globally helps us engage in a coherent and harmonised way. Integral to our 'universal owner' approach, as a major long-term investor with global coverage, we engage with policymakers at an early stage to help them identify and address emerging risks, so they can look to take transformative steps to tackle systemic market issues and accelerate progress against complex global sustainability challenges. Our policy dialogue aims to encourage tangible change by contributing to the design, implementation, and monitoring of effective and coherent policies, including a regulatory and legislative system that covers society, the environment, and the economy.
We acknowledge the complex nature of policy, regulatory and legislative decision-making, the large numbers of cross-sector stakeholders, and the system's capacity to change. As a result, many engagements can evolve significantly over time, as the organisations, political leadership and agenda may change. Underpinning our approach is L&G's Asset Management's governance structure, which is aimed at ensuring rigour and accountability, as well as enabling us to continue meeting the highest standards of oversight for our clients' investments and our own commitments. We believe that responsible investment activity needs to be fully integrated and overseen across formal governance committees, including our Executive Committee, as well as a specific board-level Investment Stewardship Committee, which is chaired by an independent non-executive director. Our governance structure remained stable across 2024, with responsible investment sub-groups supporting our core governance groups.
We anticipate some changes in 2025 to reflect the strategic reorganisation undertaken by L&G Group, combining the Real Assets business with L&G Capital to create a unified private markets business. The implementation and oversight of our responsible investment strategy continues to be supervised by the highest level of governance bodies at the executive and board level.

○ (B) No
○ (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

☑ **(A) Internal role(s)**
Specify:

Responsibility for implementing responsible investment spans a breadth and depth of roles, at all levels of the business. From board-level oversight and senior staff on the Investment Stewardship Committee and Executive Committee, responsibility also sits with portfolio managers and analysts, and our RI & investment stewardship team members across public and private markets.

☐ (B) External investment managers, service providers, or other external partners or suppliers
○ (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

○ (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent
◉ **(B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent**
Explain why: (Voluntary)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

◉ **(A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)**
Indicate whether these responsible investment KPIs are linked to compensation
◉ **(1) KPIs are linked to compensation**
○ (2) KPIs are not linked to compensation as these roles do not have variable compensation
○ (3) KPIs are not linked to compensation even though these roles have variable compensation
Describe: (Voluntary)

ESG measures form part of the annual bonus determination for our Executive Directors and Divisional CEOs, including the Asset Management CEO. Strategic objectives (including strategy, customer and culture, and risk) account for 30% of their bonus opportunity, with delivery against our climate objectives operating as a moderator of the outcome.
Since 2024, the Performance Share Plan (PSP) has also included a performance condition (with a 20% weighting) linked to progress against the company's stated climate objectives. In 2025, the use of PSP awards was extended to the wider senior management population, such that all senior managers now have a proportion of their variable remuneration directly linked to performance against an ESG measure.

○ (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

☑ **(A) Any changes in policies related to responsible investment**
☑ **(B) Any changes in governance or oversight related to responsible investment**
☑ **(C) Stewardship-related commitments**
☑ **(D) Progress towards stewardship-related commitments**
☑ **(E) Climate–related commitments**
☑ **(F) Progress towards climate–related commitments**
☑ **(G) Human rights–related commitments**
☑ **(H) Progress towards human rights–related commitments**
☑ **(I) Commitments to other systematic sustainability issues**
☑ **(J) Progress towards commitments on other systematic sustainability issues**
○ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

☑ **(A) Yes, including governance-related recommended disclosures**
☑ **(B) Yes, including strategy-related recommended disclosures**
☑ **(C) Yes, including risk management–related recommended disclosures**
☑ **(D) Yes, including applicable metrics and targets-related recommended disclosures**
○ (E) None of the above
Add link(s):

https://am.landg.com/asset/49ee9c/globalassets/lgim/_document-library/capabilities/tcfd-utm-legal-entity-report-2025.pdf/
https://am.landg.com/asset/49f367/globalassets/lgim/_document-library/capabilities/pmc-ltd-tcfd-legal-entity-report-2024.pdf/
https://am.landg.com/asset/49edb9/globalassets/lgim/_document-library/capabilities/tcfd-lgim-legal-entity-report-2025.pdf/
https://am.landg.com/asset/49ee9f/globalassets/lgim/_document-library/capabilities/tcfd-raol-legal-entity-report-2025.pdf/

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

☑ **(A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)**
Link to example of public disclosures

https://fundcentres.landg.com/srp/lit/X3AlZ4/SFDR-Product-Summary_LG-USD-Corporate-Bond-Screened-UCITS-ETF_15-05-2025.pdf

☑ **(B) Disclosures against the European Union's Taxonomy**
Link to example of public disclosures

https://fundcentres.landg.com/srp/lit/mwxZlj/Annual-Report-and-Accounts_Legal-General-UCITS-ETF-Plc_30-06-2024.pdf

☐ (C) Disclosures against the CFA's ESG Disclosures Standard
☑ **(D) Disclosures against other international standards, frameworks or regulations**
Specify:

UK Stewardship Code

Link to example of public disclosures

https://am.landg.com/asset/499590/globalassets/lgim/_document-library/responsible-investing/active-ownership-2024-long-report.pdf

☑ **(E) Disclosures against other international standards, frameworks or regulations**
Specify:

UK FCA Sustainability Disclosure Requirements (SDR)

Link to example of public disclosures

https://fundcentres.landg.com/srp/lit/m5YzAK/Consumer-Facing-Disclosure_Legal-General-Future-World-ESG-Tilted-and-Optimised-Emerging-Markets-Index-Fund_19-12-2024_UK-INST_UK-PRIV_UK-ADV.pdf

☑ **(F) Disclosures against other international standards, frameworks or regulations**
Specify:

Investor Stewardship Group Framework's stewardship principles

Link to example of public disclosures

https://am.landg.com/asset/4af337/globalassets/lgim/_old-document-library/capabilities/m2389-statement-adherence.pdf

☐ (G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

◉ **(A) Yes, we publicly disclosed all of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement**

Add link(s):

https://am.landg.com/asset/499590/globalassets/lgim/_document-library/responsible-investing/active-ownership-2024-long-report.pdf/

○ (B) Yes, we publicly disclosed some of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
○ (C) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
○ (D) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

☑ **(A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services**
☐ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
☑ **(C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact**
☑ **(D) Exclusions based on our organisation's climate change commitments**
☐ (E) Other elements
○ (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

☑ **(A) We incorporate ESG factors into our assessment of expected asset class risks and returns**

Select from dropdown list:

◉ **(1) for all of our AUM subject to strategic asset allocation**

○ (2) for a majority of our AUM subject to strategic asset allocation

○ (3) for a minority of our AUM subject to strategic asset allocation

☑ **(B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns**

Select from dropdown list:

◉ **(1) for all of our AUM subject to strategic asset allocation**

○ (2) for a majority of our AUM subject to strategic asset allocation

○ (3) for a minority of our AUM subject to strategic asset allocation

☐ (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns

☐ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

○ (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns

○ (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

	(1) Listed equity	(2) Fixed income	(4) Real estate	(5) Infrastructure
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	◉	◉	◉	◉
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	○	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

All stewardship activities are undertaken by L&G– we do not outsource our stewardship activities. Our Investment Stewardship team aims to drive long-term value creation by engaging with companies and policy stakeholders. Our stewardship activity is guided by our global stewardship themes. We believe these themes are financially material to our clients' portfolios, often pose systemic risks and opportunities, and cover areas where we believe L&G as an asset manager can drive change. In terms of selecting stakeholders with which to engage, using our stewardship themes, we identify relevant stakeholders across the policymaking, corporate and broader market ecosystem. We also set the overall thematic objectives we seek to achieve.

We consider the policy and regulatory backdrop: we determine where we could engage effectively across the policymaking and regulatory environment to support the creation of well-functioning markets. Our engagement with policymakers is vital to our aim of raising global standards across the markets in which our clients invest, because, in our opinion, many sustainability challenges require systemic policy reform.
When it comes to selecting companies with which to engage, we take into account a number of factors, including:
• The degree of financial materiality of the relevant theme (or sub-theme) to specific companies and sectors.
• Data that identifies companies as underperforming against our minimum expectations.
• Our clients' exposure to relevant companies and sectors.
• The 'engage-ability' of companies.
• How influential a company is within its country, industry and supply chains – we may also seek engagements with companies considered leaders in sustainability issues to help develop our understanding of these topics in certain industries or markets.
• The relevant geographic coverage for our engagement on a particular theme.
While much of our engagement is focused on 'laggards', as set out above, we also engage with companies that are demonstrating progress and positive practices; through their continued improvement and influence, we believe that they are instrumental in raising the bar for their sectors and supply chains, demonstrating what is achievable.
Our aim is to help drive positive change across global markets, and improvements from the 'top' performers play as important a role as those at the other end of the spectrum.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

◉ **(A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible**
○ (B) We collaborate on a case-by-case basis
○ (C) Other
○ (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.

We believe in collaboration and, where legally permissible, regularly work with peers, industry groups, NGOs, academia and civil society. We look forward to continuing our engagement with the broad range of third parties we work alongside. By joining forces with collaborative organisations, we aim to broaden our reach, and strengthen our voice. We are a member or supporter of multiple associations and initiatives working on ESG themes, joining our peers in organisations such as the Investment Association (IA), at which we discuss corporate governance policy and push for collective engagement alongside other UK investment managers; and the Investor Forum (IF) of which we were a founding member, which facilitates collaborative engagement with other members and ensures investors speak with one powerful voice. There are several other global organisations with which we collaborate to improve standards, including the PRI, ClimateAction100, Nature Action 100, Ceres, FAIRR, and the Access To Nutrition Initiative.

Additionally, we regularly collaborate with market participants when engaging on government policies and regulation. This includes through formal collaborations with organisations such as Aldersgate Group, as well as leveraging more traditional investor networks such as ICGN and the Investment Association. Finally, when one-to-one engagement does not yield results, we may seek to escalate our engagement through collaborating with other institutional investors directly, or via investor networks. We have a number of escalation options at our disposal, from voting sanctions through to divestment from the securities of an unresponsive company in select funds. Examples of our collaborative engagements from 2024 can be found in our Active Ownership report.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

☑ **(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**
Select from the list:
◉ **1**
○ 4
○ 5
☐ (B) External investment managers, third-party operators and/or external property managers, if applicable
☐ (C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers
☑ **(D) Informal or unstructured collaborations with investors or other entities**
Select from the list:
◉ **3**
○ 4
○ 5
☑ **(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**
Select from the list:
◉ **2**
○ 4
○ 5
○ (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

Our stewardship activities and investment decision-making are conducted directly by our organisation. We have implemented a comprehensive responsible investment framework to outline how we align strategies towards clear, consistent, and demonstrable sustainability objectives that aim to drive long-term value creation and address real-world needs. Our stewardship and investment teams work together, to incorporate ESG factors into our decisions and processes, from research and engagement to product development. Our Global Research and Engagement Groups, structured around 9 sectors, bring together representatives from our Investment and Stewardship teams, in order to unify our engagement efforts and determine the exposure of sectors and companies to ESG risks and opportunities across credit, equity and real assets. The early identification of potential risks that threaten the sustainability of returns is central to our investment philosophy.

The sector groups offer forums to connect the top-down, macro view with the bottom-up corporate and sector fundamentals. They offer opportunities to debate relative value and build a more comprehensive picture of the financially material ESG factors impacting our investment universe. Additionally, stewardship-based exclusions deriving from our Climate Impact Pledge engagement programme are implemented across a range of our active and index portfolios. These exclusions are debated on an annual basis through a robust internal governance process and actioned according to individual fund mandates. Our Investment Stewardship team have also worked with our Index teams to develop a rules-based and transparent methodology by which companies are scored against a range of ESG metrics.
Our ESG Score is a proprietary scoring mechanism, which uses data from reputable third-party providers to assess around 17,000 companies on a range of significant E, S and G factors. Not only are the scores used to help drive the engagement process, but we also use the score to create investment solutions across a range of equity and fixed income index funds. These indices are alternatively weighted to give greater weight to companies that have higher ESG scores and less weight to those with lower scores.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

We aim to drive long-term value creation by working with companies and policy stakeholders to create opportunities and take action to mitigate systemic risks. We believe effective stewardship involves working with companies, regulators, policymakers, peers, and other stakeholders around the world to tackle systemic risks. By doing this, we aim to help businesses address financially material issues and look to generate sustainable, long-term returns for our clients. For more than 20 years, our Investment Stewardship team has successfully campaigned on key issues, from corporate governance to diversity and climate change, engaging with companies that have failed to demonstrate sufficient progress, or as a means of encouraging broader improvements, and publicising our expectations and research. L&G Asset Management has a responsibility to undertake our stewardship activities in a transparent, accountable fashion.
We continue to take public positions to raise awareness about systemic risks associated with our global themes, and to encourage companies and market stakeholders to act. Exercising voting rights is a powerful engagement tool with which to hold company boards to account and raise market standards; it is used extensively and purposefully by our Investment Stewardship team. Importantly, the team votes with one voice across all of our clients' investments where we have discretion. Our stewardship activity is guided by our global stewardship themes. We believe these themes are financially material to our clients' portfolios, often pose systemic risks and opportunities, and cover areas where we believe L&G as an asset manager can drive change.
The goals for engagement within our global stewardship themes can range from increasing disclosure on key sustainability-related information, to setting universal requirements such as near-term net zero targets. Our voting policies range from minimum expectations, such as requiring financial expertise on the audit committee or having climate transition plans aligned with a 1.5°C global temperature increase, to clarifications around incentive pay performance targets, links to stakeholder experiences and ESG measures, alongside voting stances to oppose combined chair/CEO roles (except in Japan) and all-male boards. Our Corporate Governance and Responsible Investment policies (global and regional) set out our expectations of investee companies and outline our approach to voting and engagement, and are supplemented by individual thematic policies with additional details and background on these areas. All of our policies are fully compliant with Shareholder Rights Directive II and are available online.
Votes are cast according to our instructions, guided by our voting policies and effected through an electronic voting platform called 'ProxyExchange', which is managed by Institutional Shareholder Services (ISS). We do not automatically follow the recommendations of proxy advisers. Over many years we have developed a granular custom voting policy with specific voting instructions driven by our expectations. These instructions apply to all markets globally, with minimum best practice standards that we believe all companies should observe, irrespective of local regulations or practices. Our Global Research and Engagement Groups ('GREGs') bring together the best sector expertise across our firm to identify the challenges and opportunities that determine the resilience of sectors and the companies within them.
The output from the GREGs strengthens and streamlines our 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. There are nine individual GREGs: Energy, Healthcare, Industrials, Consumer, Utilities, Financials, TMT, Basic materials and Real estate. The individual GREGs are responsible for identifying the themes which are likely to have the greatest impact on their sector in both the short and long term. Where we identify the need for progress on particular ESG issues, we use engagement as a tool to influence positive change. The GREGs bring together experts from across our entire fundamental research teams across both credit and equities, in addition to representatives from real assets and investment stewardship; they are responsible for assessing the impact at a company level and collectively undertaking engagement. We believe a joined-up approach is more effective in raising company and market ESG standards.
However, we also use our insights through our research and engagement to identify where the market may be mispricing risks and opportunities. This can help to drive capital allocation for our investment teams and create more desirable financial outcomes for our clients.

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

☑ **(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**

Select from the below list:

◉ **(1) in all cases**
○ (2) in a majority of cases
○ (3) in a minority of cases

☑ **(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear**

Select from the below list:

◉ **(1) in all cases**
○ (2) in a majority of cases
○ (3) in a minority of cases

○ (D) We do not review external service providers' voting recommendations
○ (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

○ (A) We recall all securities for voting on all ballot items
◉ **(B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting**

Provide details on these criteria:

> We have procedures in place that only allow shares to be lent up to agreed thresholds and we have always retained a number of shares in each voteable stock to be able to note our approval, or dissent, through a vote via the shareholder meeting. Moreover, we retain the right of recall of our shares, should we deem this necessary or expedient. In practice, we do not typically recall lent stock for voting on routine company meetings. However, if there were a material vote – for example, a potential takeover situation on unfavourable terms – we will recall stock out on loan to apply the full voting power towards a positive outcome for our clients.

○ (C) Other
○ (D) We do not recall our securities for voting purposes
○ (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

◉ **(A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment**
○ (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
○ (C) We vote in favour of shareholder resolutions only as an escalation measure
○ (D) We vote in favour of the investee company management's recommendations by default
○ (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
☑ **(B) We pre-declared our voting intentions publicly by other means, e.g. through our website**
Add link(s) to public disclosure:

https://blog.landg.com/categories/esg-and-long-term-themes/lgims-voting-intentions-for-2024/

☐ (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
○ (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
○ (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

◉ **(A) Yes, for all (proxy) votes**
Add link(s):

https://vds.issgovernance.com/vds/#/MjU2NQ==/

○ (B) Yes, for the majority of (proxy) votes
○ (C) Yes, for a minority of (proxy) votes
○ (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

◉ **(A) Within one month of the AGM/EGM**
○ (B) Within three months of the AGM/EGM
○ (C) Within six months of the AGM/EGM
○ (D) Within one year of the AGM/EGM
○ (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale	(1) for all votes	(1) for all votes
(B) Yes, we privately communicated the rationale to the company	(3) for a minority of votes	(3) for a minority of votes
(C) We did not publicly or privately communicate the rationale, or we did not track this information	○	○
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	○	○

(A) Yes, we publicly disclosed the rationale - Add link(s):

https://vds.issgovernance.com/vds/#/MjU2NQ==/

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?

Our custom voting policy is implemented in an automated fashion through an electronic voting platform called 'ProxyExchange' which is managed by ISS. We undertake quarterly performance management reviews with ISS in which we discuss issues such as timeliness, the quality of their research and the application of our voting policy. During these meetings, we receive delivery statistics and discuss changes to team resources. We deliberate on specific instances where our expectations have not been met and review possible solutions to avoid future repetition. We escalate issues to senior individuals at ISS where necessary.
Once a year, we undertake a detailed due diligence meeting with ISS members across the research team, custom voting team, client managers and data teams. We also have regular meetings with ISS to discuss the implementation and evolution of our policies, as part of a review process to ensure that our decisions remain aligned to market best practices and evolving regulations. Any material changes to our custom voting policy require team agreement and are subject to challenge from our independent non-executive directors on the Investment Stewardship Committee. We regularly monitor the votes cast on our behalf to ensure they are executed fully and consistently in accordance with our policies. In response to increased client demand for regular vote reporting, we have set up additional quality checks on short notice vote instructions and rejected votes. Every member of the Investment Stewardship team has a responsibility to manually check a sample of votes cast each month to provide a quality control that votes have been executed as intended.

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

	(1) Listed equity
(A) Joining or broadening an existing collaborative engagement or creating a new one	☑
(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal	☑
(C) Publicly engaging the entity, e.g. signing an open letter	☑
(D) Voting against the re-election of one or more board directors	☑

(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	☑
(F) Divesting	☑
(G) Litigation	☐
(H) Other	☑
(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings	○

(H) Other - (1) Listed equity - Specify:

Pre-declaring our voting intentions on select resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

☑ **(A) Joining or broadening an existing collaborative engagement or creating a new one**
☑ **(B) Publicly engaging the entity, e.g. signing an open letter**
☑ **(C) Not investing**
☑ **(D) Reducing exposure to the investee entity**
☑ **(E) Divesting**
☐ (F) Litigation
☐ (G) Other
○ (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 38	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

Describe your approach to escalation for your SSA and/or private debt fixed income assets.

(A) SSA - Approach to escalation

We have a formal process in place for regularly identifying and incorporating financially material ESG factors into our investment decisions on sovereign, supranational and agency ('SSA') debt, monitoring long-term ESG trends across these assets. We engage at the pre-issuance, pre-investment, refinancing and (as applicable) default stages, including during the holding period. Whenever possible, our engagement approach with sovereign issuers on ESG engagement is done via talking to issuers when they come to markets, or during NDRs/investor updates. The engagement focus areas will depend on which considerations are important for that specific issuer. Additionally, we engage with non-issuer stakeholders (originators and primary dealers; credit rating agencies; business associations; media; and NGOs, think tanks and academics). This enables us to express our views on the issues of concern for a particular credit. At a country level, the quantitative assessment of our sovereign universe is supplemented by qualitative factors often used in ESG considerations. Our decision to incorporate these factors into the sovereign investment process is because we believe it enhances credit selection, credit quality and bond performance in a material way.

(B) Private debt - Approach to escalation

Our private credit investments cover infrastructure, real estate, corporate and alternative debt. We seek to drive better ESG disclosure and transparency as part of our due diligence process on borrowers, by identifying ESG issues that are financially material to the assets. ESG issues flagged during the due diligence process are discussed with the borrower and where appropriate, transaction structures may be amended to address ESG-related issues. Where material risks are identified, we may also ask the borrower to report to us on ESG metrics throughout the asset's lifecycle. An update on these risks will form part of the regular dialogue we have with borrowers on the risks and challenges. Our ESG due diligence findings are summarised in the Private Credit Investment Committee ESG Overview. Decisions taken at the Investment Committee on ESG matters will be recorded. Where conditional approval has been granted, the Investment and ESG teams will engage with the borrower to ensure that conditions or outstanding actions and/or documentation have been completed or attained and reviewed prior to drawdown. Any longer term ESG considerations that are deemed material over the life of the financing will be recorded and incorporated as part of the post-investment monitoring and reporting process. Ongoing monitoring after a transaction has been completed is an essential part of all our investments and escalation of ESG issues post investment will form part of the asset management processes or occur on an ad hoc basis.

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

☑ **(A) Yes, we engaged with policy makers directly**
☑ **(B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI**
☑ **(C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI**
○ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

☑ **(A) We participated in 'sign-on' letters**

☑ **(B) We responded to policy consultations**
☑ **(C) We provided technical input via government- or regulator-backed working groups**
Describe:

Malaysia climate and energy policy dialogue: Having published its first National Adaptation Plan and National Energy Transition Roadmap in 2023, and with a National Gas Roadmap on the horizon, Malaysia stands at a turning point for financing the energy transition while protecting nature and biodiversity. As one of the most biodiverse countries in the world, 54% of companies on the Bursa Malaysia operate in sectors with high or moderate dependence on nature. We participated in three roundtables, bringing together representatives from across the policy stakeholder spectrum, including the Securities Commission Malaysia, the Ministry of Energy Transition and Water Transformation, the Ministry of Economy, the Ministry of Natural Resources and Environmental Sustainability, and Bursa Malaysia, alongside representatives from international and local financial institutions, and Malaysian corporates. The roundtables covered topics including the energy transition, adaptation planning and nature and biodiversity.

☑ **(D) We engaged policy makers on our own initiative**
Describe:

In June 2024, the Hong Kong Stock Exchange published a consultation paper on corporate governance code enhancements. Through our membership of the ACGA, we provided the following feedback:
• Over-boarding: there should be a maximum of four or five directorships, and counting the role of chair or CEO as two mandates, given the extra complexity, oversight and time commitment this entails.
• Director training: it should be more formal and structured. An additional way for directors to develop relevant competencies and awareness is to meet regularly with investors to gain fresh knowledge and different perspectives.
• Board diversity: a 30% target would strengthen board diversity expectations in line with our Diversity Policy.
• Board evaluation: external evaluations should be conducted by independent third parties on the board, board committees and individual directors.
We believe that responding to such consultations is an important mechanism for feeding into the improvement of corporate governance standards around the world. A copy of the final consultation responses submitted by ACGA was published in August 2024.

☐ (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

☐ (A) We publicly disclosed all our policy positions
☑ **(B) We publicly disclosed details of our engagements with policy makers**
Add link(s):

https://am.landg.com/asset/4adbdf/globalassets/lgim/cro_q1_esg_engagement_report-final.pdf/
https://am.landg.com/asset/4af3cb/globalassets/lgim/responsible-investing/q2-2024-engagement-report.pdf/
https://am.landg.com/asset/4af3e0/globalassets/lgim/responsible-investing/ret_q3_2024_engagement_report.pdf/
https://am.landg.com/asset/490cad/globalassets/lgim/responsible-investing/ret_q4-2024-engagement-report-high-res-final.pdf/

○ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:
Title of stewardship activity:

Corporate engagement: Hindalco Industries

(1) Led by
- ◉ **(1) Internally led**
- ○ (2) External service provider led
- ○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
- ☑ **(1) Environmental factors**
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)
- ☑ **(1) Listed equity**
- ☑ **(2) Fixed income**
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Hindalco Industries Based in India and with international operations, Hindalco is an integrated aluminium producer and copper manufacturer, engaging in a range of mining, refining and smelting activities. India is commonly seen as one of the top carbon-emitting countries in the world. Hindalco has therefore been selected for direct, qualitative engagement within our Climate Impact Pledge programme. In 2023, IIGCC launched the Net Zero Engagement Initiative (NZEI), which aims to extend the reach of investor engagement beyond the Climate Action 100+ focus list, including more companies that are heavy users of fossil fuels on the demand side. Building on our existing engagement with the company via CIP, we co-led the engagement with Hindalco under NZEI.
Having signed the International Aluminium Institute (IAI) GHG initiative in 2023, Hindalco committed to disclosing a transition plan by the end of that year, outlining how it intends to meet its decarbonisation commitments. The company's 2023/24 integrated annual report disclosed some positive steps, including its double materiality risk assessment that shows GHG management as its top risk. However, disclosure of a forward-looking, coherent, and quantified transition plan is still absent from the report, therefore falling short of our expectations. We also noted that the company has pushed back its short-term scope 1 and 2 emission intensity reduction target from 2025 to 2027. We noted increased willingness to engage following our vote against the board chair at the 2023 AGM.
However, despite three engagement meetings and multiple email exchanges, we are still unclear on a) its plans to develop existing disclosure into a coherent transition plan, b) the process, accountability structures and resources in place to develop it over 2024, and c) timings of planned disclosures. We were disappointed that shareholders were not given the opportunity to opine on the adequacy of Hindalco's transition plan at its 2024 AGM. In addition to voting against the re-election of the chair as a vote sanction under our CIP, we also pre-declared our vote intention to raise the profile of the issue and lead to more constructive dialogue with the company. Aside from direct engagement with Hindalco, we have recently renewed our engagement with the chief sustainable officer of Aditya Birla Group, the holding company, to discuss our expectations and encourage more active engagement from the company.

(B) Example 2:
Title of stewardship activity:

Corporate engagement: BHP Group

(1) Led by
- ◉ **(1) Internally led**
- ○ (2) External service provider led
- ○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
- ☑ **(1) Environmental factors**
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)
- ☑ **(1) Listed equity**
- ☑ **(2) Fixed income**
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

In 2022, we published our initial expectations on climate transition plans, and have recently further developed our approach across sectors that are especially subject to climate-related risks and opportunities and key to achieving net-zero emissions by 2050. This includes the mining and diversified metals sector since it produces both critical minerals for the transition, and materials subject to potential demand shifts within the transition. Without the critical minerals that mining companies produce, the transition will not happen. It is essential that long-term, responsible investors should support these companies' journeys to decarbonise and seize the long-term value creation opportunities related to the energy transition. In order for us to do so, however, they must meet our minimum expectations, included within our updated assessment framework.
These include metrics across themes such as decarbonisation strategy; funding allocations; emissions disclosures, including scope 3; just transition; and lobbying activities. BHP is one of the biggest mining companies in the world. In 2021, the company put its first Climate Transition Action Plan (CTAP) to the vote. We voted against the approval of this plan, as it did not meet our expectations. However, since then, we have met with BHP several times (six meetings in 2024 alone), including with the climate and sustainability teams and the Chief Executive Officer, Chief Financial Officer and board chair.
The aim of our engagements was to provide feedback on BHP's 2024 CTAP and ensure that it met the requirements of our updated assessment framework. It was clear that BHP had made significant strides in improving its CTAP since it put the inaugural plan to the vote in 2021. It demonstrates substantial alignment with our assessment framework, and we believe it is important investors recognise progress when it occurs. Following our positive engagements with the company, we were able to support the updated CTAP at BHP's October 2024 AGM and we pre-declared our vote intentions via our blog. This is the first mining company transition plan that we have supported.
The resolution achieved shareholder support of 92.2% at the AGM, a significant improvement over the 84.9% favourable votes cast on the 2021 CTAP. We will continue to monitor and engage with BHP on a number of areas, including:
• Disclosure of progress on BHP's plans for the development of a more targeted methane measurement, management, and mitigation strategy .
• Plans to be executed in support of the decarbonisation of steelmaking.
• Ensuring resilience while navigating the dynamic market for metallurgical coal.

(C) Example 3:
Title of stewardship activity:

Development of a new framework to support housing associations with ESG-related CapEx requirements

(1) Led by
- ◉ **(1) Internally led**
- ○ (2) External service provider led
- ○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
- ☑ **(1) Environmental factors**
- ☑ **(2) Social factors**
- ☐ (3) Governance factors

(3) Asset class(es)
- ☐ (1) Listed equity
- ☑ **(2) Fixed income**

☐ (3) Private equity
☐ (4) Real estate
☐ (5) Infrastructure
☐ (6) Hedge funds
☐ (7) Forestry
☐ (8) Farmland
☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

In recent years, L&G has engaged with the housing associations within our Private Debt book in providing flexible loan terms that allowed for additional expenditure on fire safety-related upgrades and decarbonisation improvements on their housing stock. Housing associations across the sector have found EBITDA-MRI interest cover covenants to be challenging given recent housing market pressures of inflation, rent inflation caps, and interest rate increases. L&G continued this engagement in 2024, following engagement and the development of a framework in 2023, with a credit amendment of it's debt covenant charges in order to further support the house associations in achieving their decarbonisation goals under the current conditions. As an example, one of the housing associations with which we engaged had a net zero carbon roadmap with targets in place for EPC ratings, waste, and carbon emissions for 2030, with the goal of being net zero by 2050. Without compromising on their credit quality, we were able to alleviate fiscal restrictions for the company in alignment with their decarbonisation roadmap and planned capex for achieving their interim and long-term net zero targets.

(D) Example 4:
Title of stewardship activity:

Collaborative corporate engagement: Bayer

(1) Led by
◉ **(1) Internally led**
○ (2) External service provider led
○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
☑ **(1) Environmental factors**
☐ (2) Social factors
☑ **(3) Governance factors**

(3) Asset class(es)
☑ **(1) Listed equity**
☑ **(2) Fixed income**
☐ (3) Private equity
☐ (4) Real estate
☐ (5) Infrastructure
☐ (6) Hedge funds
☐ (7) Forestry
☐ (8) Farmland
☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

We are a member of Nature Action 100 (NA100). NA100 is a global investor initiative co-led by Ceres and the IIGCC. Focused on corporate engagement, NA100 aims to encourage greater corporate ambition and action on nature and biodiversity loss, by setting a common agenda and offering a clear set of expectations for companies. More than 230 institutional investor participants – representing over $30 trillion in assets under management or advice – have joined NA100 and will be participating in direct engagement with 100 companies through the initiative. Where legally permissible, we are working collaboratively with other investors to dive into the detail of the NA100 expectations for each company, to better understand how these apply in context and what challenges exist to making meaningful progress. We are focusing our engagement on one company in the pharmaceuticals and agritech sector – Bayer AG – acknowledging the complexities inherent in needing to transform the global food system to one that is more resilient, productive, and sustainable. We have met with Bayer five times in the last 12 months, both collaboratively as part of NA100 and separately on broader topics. The dialogue has been constructive, and output has been valuable in informing the NA100 assessment processes across all its engagement targets. We are looking forward to diving further into the detail of specific objectives and expectations that the investor group has beyond the NA100 benchmark criteria through 2025.

(E) Example 5:
Title of stewardship activity:

Real estate: Occupier engagement through dedicated digital platform

(1) Led by
- ◉ **(1) Internally led**
- ○ (2) External service provider led
- ○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
- ☑ **(1) Environmental factors**
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)
- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☑ **(4) Real estate**
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Vizta, our digital occupier engagement platform, was developed to drive greater collaboration, education, and alignment with our occupiers across a range of topics, including sustainability. This includes supporting the delivery of decarbonisation strategies, by providing occupiers with detailed profiles of their energy use and direct access to support through a user-friendly interface.
At the end of 2024 Vizta, had been embedded across 427 assets. In 2024, new Vizta services were launched, including Reuse Exchange, a reuse marketplace to facilitate and reward circular economy principles and avoid sending waste to landfill; and, Save Money Cut Carbon, providing occupiers with diagnostic advice and access to low-carbon services.

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

☑ **(A) Yes, within our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:

Under our TCFD approach, short- and medium-term planning horizons are set out as three years and 10 years respectively. A summary of the climate-related risks and opportunities relevant for Asset Management are as follows: Opportunities:
- Directing our investments to support a low-carbon transition while investing in corporate infrastructure, real estate and venture capital climate and nature-based solutions.
- Attract and retain clients by supporting their needs to decarbonise their investment portfolios, for example through net zero-aligned investment products and funds, and provision of data and analytical tools.
- Manage funds that provide clients with access to financing opportunities in transition technologies and infrastructure and nature-positive outcomes.

- Enhance returns from investing in homes and commercial properties by enabling them to operate with net zero carbon emissions and helping to protect and restore nature.
- Increase our market differentiation through investment in low-carbon real estate, including reduced embodied carbon.
- Protect our returns by developing real assets with high levels of climate resilience.
Risks:
- Investments in sectors or companies which are adversely exposed to a transitioning economy lose value or are downgraded, and investments prove ineffective resulting in loss.
- Disruptive technology may affect the value of our investments.
- Increased frequency and severity of extreme weather events, or increased nature loss, may impact on the value of physical assets or the value of companies with high exposures to these risks.
- Loss of market share should investment solutions be perceived as not meeting evolving client needs.
- A breach of evolving legislative or regulatory requirements may expose us to litigation or regulatory sanction and damage our brand.
- Reputational risk from not meeting our own commitments, or if activities across the group are not aligned.
- High delivery costs of low-carbon or nature-positive solutions for residential and commercial properties may impact viability.
- High delivery costs due to changing climate and nature-related disruptions to our supply chain, leading to increased costs and material shortages.
- Property values fall due to increased risk of extreme weather impacts, higher insurance costs or poor energy efficiency.
- Not having the right skills for our future, or weakness in processes or systems, leads to customer detriment or reputational damage.
Our L&G Group TCFD report, titled L&G Climate and Nature Report can be accessed at the following link, with climate-related risks and opportunities highlighted on page 11: https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf.

☑ **(B) Yes, beyond our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:

As well as the short and medium-term planning horizons identified above, our approach under TCFD includes a long-term horizon up to 2050.

○ (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

◉ **(A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

We have considered how to integrate climate-related risks and opportunities into our investment strategies, methodologies and products. We have developed L&G Destination@Risk as a proprietary toolkit to assess climate-related risk for our investments. It allows us to explore a range of possible climate futures and examine their company, sector and portfolio-level financial implications as well as our investments' alignment with net-zero outcomes.
In 2023, we partnered with Swedish pension provider AP7 to launch an active investment strategy that aims to unlock long-term shareholder value by investing in, and then engaging with, specific companies that are 'climate laggards' in their sectors. The strategy seeks to identify companies across climate-critical sectors that are currently not, but have the potential to become successfully aligned with the Paris goals. The strategy aims to play a part in ensuring that the market as a whole, not only climate leaders, rise to the net zero transition challenge. The engagement with portfolio companies is highly targeted, with the objectives of accelerating the pace of the climate transition, and maximising long-term shareholder value. The strategy follows a data-driven, fundamental and engagement-led investment approach, seeking to support the climate transition to reach net zero by 2050, leveraging insights from L&G's Global Investment Research, tools and Investment Stewardship teams.

○ (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

☑ **(A) Coal**

Describe your strategy:

Our approach to high-emitting sectors is consistent with our approach under TCFD. This defines a carbon intensive sector/high emitting sector as a BICS sector that has an emissions intensity greater than or equal to one standard deviation from the mean. This currently includes Basic Materials, Utilities and Energy. Under our Future World Protection List, companies generating 20% or more of revenues from mining and extraction of thermal coal and thermal-coal-power generation, and companies generating 5% or more of revenues from oil sands extraction are excluded from relevant funds. In 2024, we updated our exclusions to encompass companies planning to develop new large-scale coal-fired power plants with capacity of at least 100 megawatts, and companies planning to develop new coal mines, extending their coal mines by applying for new permits and/or being involved in coal exploration activities. Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(B) Gas**

Describe your strategy:

Our approach to high-emitting sectors is consistent with our approach under TCFD. This defines a carbon intensive sector/high emitting sector as a BICS sector that has an emissions intensity greater than or equal to one standard deviation from the mean. This currently includes Basic Materials, Utilities and Energy.
Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(C) Oil**

Describe your strategy:

Our approach to high-emitting sectors is consistent with our approach under TCFD. This defines a carbon intensive sector/high emitting sector as a BICS sector that has an emissions intensity greater than or equal to one standard deviation from the mean. This currently includes Basic Materials, Utilities and Energy.
Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.
Under our Future World Protection List, companies generating 5% or more revenues from oil sands extraction are excluded from relevant funds.

☑ **(D) Utilities**

Describe your strategy:

Our approach to high-emitting sectors is consistent with our approach under TCFD. This defines a carbon intensive sector/high emitting sector as a BICS sector that has an emissions intensity greater than or equal to one standard deviation from the mean. This currently includes Basic Materials, Utilities and Energy.
Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(E) Cement**

Describe your strategy:

Our approach to high-emitting sectors is consistent with our approach under TCFD. This defines a carbon intensive sector/high emitting sector as a BICS sector that has an emissions intensity greater than or equal to one standard deviation from the mean. This currently includes Basic Materials, Utilities and Energy.
Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(F) Steel**

Describe your strategy:

Our approach to high-emitting sectors is consistent with our approach under TCFD. This defines a carbon intensive sector/high emitting sector as a BICS sector that has an emissions intensity greater than or equal to one standard deviation from the mean. This currently includes Basic Materials, Utilities and Energy.
Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(G) Aviation**

Describe your strategy:

Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(H) Heavy duty road**

Describe your strategy:

Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(I) Light duty road**

Describe your strategy:

Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(J) Shipping**

Describe your strategy:

Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(K) Aluminium**

Describe your strategy

Our approach to high-emitting sectors is consistent with our approach under TCFD. This defines a carbon intensive sector/high emitting sector as a BICS sector that has an emissions intensity greater than or equal to one standard deviation from the mean. This currently includes Basic Materials, Utilities and Energy.
Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(L) Agriculture, forestry, fishery**

Describe your strategy:

Our Nature Framework sets out our approach to this topic, structured across four ‘sub themes’ of deforestation, natural capital management, the circular economy, and water. Our Framework explains how we will address each of these topics from both corporate and policy angles, including work with data providers and other stakeholders, building on our existing work on sustainable agriculture with FAIRR, our deforestation assessments and expectations, and metrics that we include in our ESG Score and Climate Impact Pledge score. More about our approach to nature can be found here: LGIM Nature Policy https://am.landg.com/asset/493e58/globalassets/lgim/lgim-nature-policy-document-final_v2.0-1.pdf

☑ **(M) Chemicals**

Describe your strategy:

Our approach to high-emitting sectors is consistent with our approach under TCFD. This defines a carbon intensive sector/high emitting sector as a BICS sector that has an emissions intensity greater than or equal to one standard deviation from the mean. This currently includes Basic Materials, Utilities and Energy.
Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(N) Construction and buildings**

Describe your strategy:

Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.
To manage the risks associated with our real estate equity assets within our Private Markets division, we have set a net zero by 2050 (or sooner) target and developed a net zero roadmap which sets out our approach to decarbonisation and our progress against these. These targets are also used to set annual fund and asset level Scope 1 and 2 energy reduction targets for real estate equity assets across L&G Private Markets, which are monitored on a quarterly basis. We have also set the target for all new homes to be operating at net-zero carbon by 2030. We have also developed a Private Markets Real Estate Climate Report, which has been developed to align with the Task Force on Climate-related Financial Disclosure (TCFD) recommendations, building on the contributions the division has made as a part of L&G’s Climate and Nature Report since 2017. The report also aligns with the Better Buildings Partnership (BBP) guidance around climate resilience strategies for commercial real estate.

☑ **(O) Textile and leather**

Describe your strategy:

Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

☑ **(P) Water**

Describe your strategy:

Our approach to high-emitting sectors is consistent with our approach under TCFD. This defines a carbon intensive sector/high emitting sector as a BICS sector that has an emissions intensity greater than or equal to one standard deviation from the mean. This currently includes Basic Materials, Utilities and Energy. In our Nature Framework (LGIM Nature Policy), we set out our approach to tackling the challenges of nature loss and degradation across four sub-themes: the circular economy, deforestation, natural capital management, and water. Our water policy is available on the following link: https://am.landg.com/asset/4a7e14/globalassets/lgim/responsible-investing/ret_lgim-water-policy-document.pdf

☑ **(Q) Other**

Specify:

Forestry and Paper Pulp, Food, Glass, Logistics, Banks, Insurance, Mining, Tech & Telecoms

Describe your strategy:

Within our Climate Impact Pledge, we focus on climate-critical sectors, which are responsible for the most global greenhouse gas emissions from listed companies and/or vital to climate transition at scale, as well as the most carbon-intensive sectors in our portfolios. We are encouraging companies within the 20 climate-critical sectors we have identified, to tackle climate change and transition to a low-carbon economy.

○ (R) We do not have a strategy addressing high-emitting sectors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
☐ (B) Yes, using the One Earth Climate Model scenario
☐ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
☑ **(D) Yes, using other scenarios**
Specify:

L&G-Asset Management has developed a number of pathways in house using our L&G Destination@Risk toolkit. This includes three separate scenarios where temperature is held below 2 degrees Celsius and our L&G Group climate reporting in line with TCFD is consistent with this approach. The scenarios include insights with a number of the scenarios above and further detail can be found on pages 40 – 47 of our L&G Climate and Nature report at the following link: https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

○ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

☑ **(A) Yes, we have a process to identify and assess climate-related risks**
(1) Describe your process

Scenario analysis helps us to understand the strategic implications of possible climate pathways, including the key features of the transition to a net zero economy. We use scenarios to explore the role our organisation can play, alongside policy and corporate action, in mitigating climate risk and supporting opportunity. We develop our own bottom-up scenarios of how the energy and land systems may evolve to 2050. The Paris Agreement sets out its goal as limiting global warming by 2100 to well-below 2°C, ideally 1.5°C above pre-industrial temperatures. In trying to model plausible pathways to these outcomes, we must try to capture change across the energy and land systems and make difficult trade-offs between minimising short-term policy impact and limiting the long-term physical risks from climate change.
Our L&G Destination@Risk toolkit translates these scenarios into company, sector and portfolio-level implications. We use two main metrics: one is climate risk, which describes the potential risk from various climate scenarios to asset valuations, and the other is temperature alignment, which assesses whether companies are contributing to the changes we require to reach global climate commitments, or whether they put them at risk. We took part in the Bank of England's Biennial Exploratory Scenario on climate change exercise through 2021 and 2022, testing the resilience of the current business models of the largest banks, insurers and the financial system to climate-related risks. The results of the exercise have been published here: bit.ly/Resultsofthe2021ClimateBiennial ExploratoryScenario Private Markets We have also conducted an initial qualitative review of the different climate transition-related risk drivers that, if unmitigated, could impact the real estate sector.
This analysis was aligned with the scenario analysis indicated above. We also undertake forward-looking physical climate modelling to understand the risk exposure that our real estate equity portfolio currently faces across all climate hazards, and how this is likely to change in the future. This is conducted under two different climate warming scenarios, the Intergovernmental Panel on Climate Change (IPCC) RCP 2.6 and RCP 8.5 scenarios. The purpose of completing this analysis is to better understand the level of risk exposure present across L&G today and in the future, and to highlight assets deemed the most at risk. Our approach also quantifies the relative financial impact of physical climate risk perils, enabling us to deepen our understanding of how climate may impact our portfolio and develop a more robust investment strategy going forward.

(2) Describe how this process is integrated into your overall risk management

We have integrated climate risk management into our existing risk and governance framework and have carried out a detailed assessment of how we could expect climate risk to emerge across our business model from the investments that we hold: Credit: climate change may impact on credit risk both through movements in credit spreads (due to a similar process as those driving changes in the equity valuation described below) and through credit rating transitions as a result of changes in either actual or anticipated default rates. Market: climate change may impact on equity and property risk through asset values being exposed to a (potentially sudden) repricing to reflect transition risks to a low or carbon-neutral economy, or due to more frequent and severe weather events and longer-term shifts in climate impacting on asset values. These may be through actual experience or a change in anticipated future experience. Climate change may also present enhanced asset returns, such as increased equity valuation for a firm enabling the transition to a low-carbon economy. Climate change may impact on other market risk exposures through movements in macroeconomic factors such as interest, inflation and foreign exchange rates. Client funds: all investment objectives and risks associated with these portfolios are borne by the end investors. These risks will include the financial risks from climate change. While the ultimate decision to choose a specific mandate or portfolio lies with our clients, one of the key ways in which we can have a positive impact is by helping clients, the owners and ultimate beneficiaries, to take action on climate change.
We seek to achieve this through disclosing climate metrics and an assessment of the implications of climate change on our clients' assets. This analysis helps our clients better understand the climate risks that may be held in their portfolio. Private Markets: We are implementing policies and processes to identify transition and physical climate-related risks across all our real estate equity portfolios throughout the asset lifecycle. Examples include net zero audits, which are required for all new acquisitions and are used to understand required measures to achieve net zero and to assess feasibility, costs and timeframe for completion of these measures. Flood risk has also always been embedded in our investment strategy and is a key component of our standard due diligence process of all property acquisitions. Forwarding looking analysis across multiple physical climate risk hazards is also used to support resilience building across our standing real estate assets.

☑ **(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process

Equity and Fixed Income Subject to our clients' different mandates we have varying degrees of discretion to mitigate climate risks in portfolios, for example in an index fund with no explicit climate-related characteristics, our stewardship engagement activity is the primary management tool, whereas in active investment strategies we have other levers that can be applied in line with their investment objectives. We have incorporated climate considerations and L&G Destination@Risk climate modelling within our research analysis tool, L&G Active ESG View such that portfolio managers can proactively assess individual security and portfolio level climate risk exposures in determination of portfolio trading and construction decisions. Private Markets To manage transition risks, we aim to buy assets which have undergone stringent sustainability assessments, including identifying BREEAM and EPC ratings and completing individual Asset Sustainability Plans (ASPs), which draws together improvement opportunities for implementation as well as a consideration of other sustainability factors.
Net zero audits are also a requirement at acquisition and are also being rolled out across targeted standing assets too. These are used to identify the measures required to achieve net zero alongside feasibility, costs and timelines, with outputs of these also built into ASPs. This helps to identify alignment with our interim 2030 SBT-aligned targets and net zero by 2050 commitment. On physical climate risk, we work with a specialist data provider, XDI, who help us to identify any at-risk assets to enable suitable adaptation strategies to be developed. We have also developed a Climate Resilience Framework, which will support the development of suitable adaptation approaches for any real estate assets identified to be at high risk.

(2) Describe how this process is integrated into your overall risk management

We deploy a range of management actions to meet our risk management objectives, including:
1. Established framework for climate commitments.
2. Exclusions and high carbon escalation.
3. Review of our existing tolerance framework to incorporate climate considerations.
4. Active engagement.
These actions seek to manage our exposure to climate-related risks associated with our investments and operations and the risks that we do not achieve our climate-related goals and targets.
Private Markets Our approach is embedded within our investment process at the Investment Committee level. We also use our specialist ESG data platform, provided by Deepki. to monitor our progress against our net zero by 2050 commitment and our 2030 SBTi aligned interim targets. The platform contains key climate risk metrics and Asset Sustainability Plans (ASPs) and, using this platform, Deepki provide our quarterly analysis at asset and fund level and provide our annual reporting data.

○ (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

☑ **(A) Exposure to physical risk**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
◉ **(2) Metric or variable used and disclosed**
○ (3) Metric or variable used and disclosed, including methodology
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

☑ **(B) Exposure to transition risk**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
◉ **(2) Metric or variable used and disclosed**
○ (3) Metric or variable used and disclosed, including methodology
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

☐ (C) Internal carbon price
☑ **(D) Total carbon emissions**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
○ (2) Metric or variable used and disclosed
◉ **(3) Metric or variable used and disclosed, including methodology**
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

☑ **(E) Weighted average carbon intensity**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
○ (2) Metric or variable used and disclosed
◉ **(3) Metric or variable used and disclosed, including methodology**
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

☐ (F) Avoided emissions
☑ **(G) Implied Temperature Rise (ITR)**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
○ (2) Metric or variable used and disclosed
◉ **(3) Metric or variable used and disclosed, including methodology**
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
☐ (I) Proportion of assets or other business activities aligned with climate-related opportunities
☐ (J) Other metrics or variables
○ (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

☑ **(A) Scope 1 emissions**
(1) Indicate whether this metric was disclosed, including the methodology
○ (1) Metric disclosed
◉ **(2) Metric and methodology disclosed**
(2) Provide links to the disclosed metric and methodology, as applicable

https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

☑ **(B) Scope 2 emissions**
(1) Indicate whether this metric was disclosed, including the methodology
○ (1) Metric disclosed
◉ **(2) Metric and methodology disclosed**
(2) Provide links to the disclosed metric and methodology, as applicable

https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

☑ **(C) Scope 3 emissions (including financed emissions)**
(1) Indicate whether this metric was disclosed, including the methodology
○ (1) Metric disclosed
◉ **(2) Metric and methodology disclosed**
(2) Provide links to the disclosed metric and methodology, as applicable

https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

○ (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

◉ **(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
○ (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

☑ **(A) The UN Sustainable Development Goals (SDGs) and targets**
☑ **(B) The UNFCCC Paris Agreement**
☑ **(C) The UN Guiding Principles on Business and Human Rights (UNGPs)**
☑ **(D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors**
☑ **(E) The EU Taxonomy**
☐ (F) Other relevant taxonomies
☐ (G) The International Bill of Human Rights
☑ **(H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions**
☐ (I) The Convention on Biological Diversity
☐ (J) Other international framework(s)
☐ (K) Other regional framework(s)
☐ (L) Other sectoral/issue-specific framework(s)
○ (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

☑ **(A) Identify sustainability outcomes that are closely linked to our core investment activities**
☑ **(B) Consult with key clients and/or beneficiaries to align with their priorities**
☐ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
☑ **(D) Identify sustainability outcomes that are closely linked to systematic sustainability issues**
☑ **(E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)**
☐ (F) Understand the geographical relevance of specific sustainability outcome objectives
☐ (G) Other method
○ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

◉ **(A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities**

○ (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

☑ **(A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons**
☐ (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
☑ **(C) We have been requested to do so by our clients and/or beneficiaries**
☑ **(D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes**
☐ (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
☐ (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
☑ **(G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right**
☐ (H) Other

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potential negative outcomes for people connected to your investment activities?

☐ (A) We assessed the country level context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes
☑ **(B) We assessed the sector context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes**
Explain how these activities were conducted:

Having published our Human Rights Policy in 2023, setting out our commitments on human rights as a global investor and outlining our specific expectations of investee companies regarding human rights, we launched our human rights engagement campaign, contacting 400 companies in 43 countries about their approach to human rights risk identification, management and mitigation. The aim was to develop our understanding of investee companies' management of human rights, and their challenges in meeting our expectations. Our controversial weapons exclusions apply to companies involved in the production of cluster munitions, antipersonnel landmines, and biological and chemical weapons. Screening will be carried out and exclusions applied where there is evidence of non-compliance with recognised international treaties, specified in our Controversial Weapons Policy, which is publicly available on our website. The policy will be applied to active fixed income and equity funds, certain index funds and client-specific portfolios. Under our Future World Protection List, applied to funds as applicable by their mandates, companies which have been in violation of the UNGC for 36 continuous months will be excluded. More broadly, under our Climate Impact Pledge, we emphasise the importance for companies of integrating social implications for delivering a transition to net zero. For sectors where the transition could have direct social implications, we expect companies' decarbonisation strategies to incorporate a 'just transition' perspective. Our deforestation policy takes account of associated social and human rights impacts.

☐ (C) We assessed the human rights performance of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

☐ (D) We monitored severe and emerging human rights controversies to understand how this could connect our organisation to negative human rights outcomes
☐ (E) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities
○ (F) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potential negative outcomes for people connected to your investment activities?

☑ **(A) Workers**
Sector(s) for which each stakeholder group was included
- ☑ **(1) Energy**
- ☑ **(2) Materials**
- ☐ (3) Industrials
- ☑ **(4) Consumer discretionary**
- ☑ **(5) Consumer staples**
- ☐ (6) Healthcare
- ☐ (7) Finance
- ☑ **(8) Information technology**
- ☑ **(9) Communication services**
- ☑ **(10) Utilities**
- ☑ **(11) Real estate**

☑ **(B) Communities**
Sector(s) for which each stakeholder group was included
- ☑ **(1) Energy**
- ☑ **(2) Materials**
- ☐ (3) Industrials
- ☑ **(4) Consumer discretionary**
- ☐ (5) Consumer staples
- ☐ (6) Healthcare
- ☐ (7) Finance
- ☑ **(8) Information technology**
- ☑ **(9) Communication services**
- ☑ **(10) Utilities**
- ☑ **(11) Real estate**

☑ **(C) Customers and end-users**
Sector(s) for which each stakeholder group was included
- ☐ (1) Energy
- ☐ (2) Materials
- ☐ (3) Industrials
- ☐ (4) Consumer discretionary
- ☑ **(5) Consumer staples**
- ☐ (6) Healthcare
- ☐ (7) Finance
- ☑ **(8) Information technology**
- ☐ (9) Communication services
- ☐ (10) Utilities
- ☐ (11) Real estate

☐ (D) Other stakeholder groups

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, what information sources did your organisation use to identify the actual and potential negative outcomes for people connected to its investment activities?

☑ **(A) Corporate disclosures**

Provide further detail on how your organisation used these information sources:

We pay close attention to corporate disclosures, particularly around AGM season, and to the shareholder resolutions being proposed, which may in some cases be an indication of problems at a company. Corporate disclosures are also a key element incorporated into L&G Asset Management's fundamental investment research and portfolio management functions.

☑ **(B) Media reports**

Provide further detail on how your organisation used these information sources:

As part of our regular stewardship and investment research and monitoring, we do take account of media reports from reputable sources.

☑ **(C) Reports and other information from NGOs and human rights institutions**

Provide further detail on how your organisation used these information sources:

As part of our regular stewardship and investment research and monitoring, we do take account such reports, relating to financially material ESG issues.

☑ **(D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank**

Provide further detail on how your organisation used these information sources:

As part of our regular stewardship and investment research and monitoring, we do take account such reports, relating to financially material ESG issues.

☑ **(E) Data provider scores or benchmarks**

Provide further detail on how your organisation used these information sources:

We track companies' adherence to our minimum ESG standards via our L&G ESG Score, which can indicate whether there are potential red flags around social and human rights issues. Our ESG Score is a proprietary scoring mechanism, which uses data from reputable third-party providers to assess around 17,000 companies on a range of significant E, S and G factors.

☑ **(F) Human rights violation alerts**

Provide further detail on how your organisation used these information sources:

Our Future World Protection List excludes companies which have been violators of the UNGC for a continuous period of 36 months. To monitor this trigger, we use third-party data from a reputable provider.

☑ **(G) Sell-side research**

Provide further detail on how your organisation used these information sources:

As part of our regular stewardship and investment research and monitoring, we do take account of such reports.

☑ **(H) Investor networks or other investors**

Provide further detail on how your organisation used these information sources:

We are a member of several forums in which we are able to discuss industry-wide issues with our peers and to raise awareness of trends and potential problems. One such example is the Investor Forum. Additionally, we are also members of a number of peer-group collaborations: one example is Investor Action on AMR, through which we aim, alongside our industry peers, to raise awareness and galvanise global policy action on this crucial issue which, if left unmitigated, has the potential for devastating social, economic and financial damage around the world.

☐ (I) Information provided directly by affected stakeholders or their representatives
☐ (J) Social media analysis
☐ (K) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?

☐ (A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities

☑ **(B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities**

Describe:

We continue to engage on income inequality and, more specifically, on the topic of living wage both individually, and collaboratively through both the ShareAction Good Work Coalition and the Platform for Living Wage Financials. We ran more than 30 engagements on this topic during 2024. Within our own living wage campaign, which is focused on 15 large global food retailers, we encourage companies to pay the living wage in their own operations and supply chains. We were pleased to note progress from Woolworths Group, Coles Group and Tesco in particular during 2024. Voting sanctions for companies within this campaign that do not meet our expectations may be applied from 2025.

○ (C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year

LISTED EQUITY (LE)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?

	(1) Passive equity	(3) Active - fundamental
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period	(1) for all of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?

	(1) Passive equity	(3) Active - fundamental
(A) Yes, we have a formal process that includes scenario analyses	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a formal process, but it does not include scenario analyses		
(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion	○	○
(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies	○	○

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?

	(2) Active - fundamental
(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process	(1) in all cases
(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process	(1) in all cases
(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process	(1) in all cases
(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?

	(1) Passive equity	(3) Active - fundamental
(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors	(1) in all cases	(1) in all cases
(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors	(1) in all cases	(1) in all cases
(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability	(1) in all cases	(1) in all cases
(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors	(1) in all cases	(1) in all cases
(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process	○	○

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.

Our Global Research and Engagement Groups (GREGs), which comprise Investment and Stewardship teams, start with identifying key macroeconomic sustainability risks that could result from inaction in response to the world's environmental or societal challenges. We believe opportunities arise from long-term sustainability-related structural changes that can be value-creating for investment portfolios. We combine an analysis of these macro drivers with sector-level and issuer-level analysis to determine whether and how companies and assets are positioned in respect of the sustainability risks that are most relevant to them. To support this process, we have a proprietary research tool, Active ESG View, to inform portfolio managers on issuer ESG information combining our proprietary GREGs analysis with multiple external research inputs. The Active ESG View brings together granular quantitative and qualitative inputs such as the materiality of sustainability risks and opportunities in sectors, company ESG data, engagement criteria and proprietary forward-looking company analysis.
The proprietary materiality matrix to identify financially material topics for a given industry helps us to structure our research and provides a framework to prioritise engagement activity and measure outcomes. This field of work is guided by the Sustainability Accounting Standards Board (SASB) and entails analysing ESG factors that are likely to have an impact on financial or operating performance. The sources and tools we use to identify and monitor material ESG risks and opportunities include but are not limited to:
• Regular company engagement - In 2024, Our Investment and Investment Stewardship teams held a combined 679 meetings/calls and 3,720 written engagements. Information obtained assists us in monitoring ESG risks.
• L&G Destination@Risk - Proprietary toolkit to assess climate-related risk for our investments by exploring a range of possible climate futures and their company, sector and portfolio-level financial implications.
• Regular meetings with regulators, governments and policymakers
• Collaborative engagement
• External news, media, reports, sell-side research
• Voting A fund-specific example of the incorporation of ESG factors into equity selection can be seen in the L&G Climate Action Global Equity Fund.
It is an Article 8 SFDR fund that utilises our Climate Action Strategy to build a portfolio of global equities, the majority of which in our view are behind on the energy transition, and where our analysis indicates a potentially material long-term investment value case for accelerating their transition. The strategy also seeks exposure to companies that are already in transition - but where the transition is underappreciated by the market or, we believe, could and should be significantly accelerated. An example has been Heidelberg Materials*. Heidelberg Materials produces and markets building materials and solutions, offering cement, aggregates, and ready-mixed concrete to customers worldwide.
As one of the world's largest building material companies, Heidelberg Cement's products are used in the construction of houses, traffic routes, infrastructure, and more. We believed that Heidelberg Materials was a 'dial mover' in the energy transition towards a net-zero world under our 'built environment' theme, enabling a transition in buildings through construction efficiency. Cement is a crucial product for the construction of buildings and infrastructure, and we believe the development of 'green' cement and sustainable practices within construction is essential to enable the alignment to a low-carbon world. The demand for sustainable building materials is increasing, while cement manufacturers are facing growing exposure to the EU Emissions Trading System (ETS) prices due to the phase-out of free allowances.
This scenario presents a strategic opportunity for early movers in the cement industry to establish a leading position in low-carbon cement and benefit from industry consolidation, as smaller players may struggle to meet the capital requirements for transitioning to lower-carbon cement. Heidelberg emerged as an early mover, with the most mature portfolio of Carbon Capture, Utilisation, and Storage (CCUS) projects in Europe, alongside achieving industry-leading rates of alternative fuel usage and clinker substitution. Our approach with Heidelberg had been to actively engage with the company in support of its sustainability strategy, which included improving their disclosures to help investors better understand the potential value of its sustainability strategy. *For illustrative purposes only.
Reference to a particular security is on a historic basis and does not mean that the security is currently held or will be held within an L&G portfolio. The above information does not constitute a recommendation to buy or sell any security.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?

	(1) Passive equity	(3) Active - fundamental
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(1) for all of our AUM
(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(1) for all of our AUM
(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(1) for all of our AUM
(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process		
(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 7	PLUS	OO 21	N/A	PUBLIC	Passive investments	1

Provide an example of how material ESG factors influenced weightings and tilts in the design of your passively managed funds.

We have developed a rules-based methodology by which to score companies against ESG metrics. The L&G ESG Score aligns with how we engage with, and vote on, the companies in which we invest. In addition, the L&G ESG score is designed to provide alignment between the way that capital is allocated within a strategy and the broader engagement programme. 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. When determining indicators to be used in the L&G ESG Score, market-wide ESG issues that affect long-term returns were assessed.
Once material risks and opportunities were identified, potential data points were assessed to see if they are available, quantifiable and reliable.
• Are companies in the investable universe reporting this information?
• Is the information in a numerical format to be included in the scores?
• Is the data reported regularly to allow for comparison amongst all the relevant companies?
The result of this analysis of over 17,000 companies led to the choice of 32 ESG data points (as of at May 2025), which are used in the creation of the L&G ESG score. Our scores focus on the market-wide standards we expect all companies to meet, irrespective of sector. L&G's ESG Scores are publicly available on our website to further reinforce these standards and make clear to investors and corporates our framework for assessment and means for improvements. We are committed to regularly reviewing and refining our ESG scores. An important feature of the L&G ESG score is its ability to evolve over time to ensure best practice for investors given the changing market landscape with respect to robust ESG data availability, regulatory change, and investor sentiment. This is evident in the recent evolutions of the L&G ESG score through the addition of the temperature alignment and biodiversity programme metrics in 2022. In 2023, the score was updated with a number of new metrics including: water management programme, deforestation programme, value chain emissions intensity and lobbying activities.
Additionally in 2025, we updated the metrics to ensure that indices continue to incorporate the most accurate and up-to-date research in their calculation methodologies. For example, we adjusted the methodology for calculating carbon reserves to better reflect best practices and strengthen the link to financial materiality following a growth in the ESG data landscape as well as an evolution of critical concepts around the energy transition. This proprietary scoring framework is the foundation of our Future World Index funds range. The range makes use of a tilting approach to further improve the ESG credentials, giving greater weight to companies that have higher ESG scores and less weight to those with lower scores. The scores enable us to incentivise companies to improve their ESG profile through a transparent methodology.
Please see the L&G ESG Score website for further details. https://esgscores.landg.com/srp/documents-id/dc2ca5ef-933d-4748-b221-7085515bfa04/Methodologyforratingcompanies.pdf.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 8	PLUS	OO 19, OO 21	N/A	PUBLIC	Passive investments	1

How does your organisation select the ESG index(es) or benchmark(s) for your passive listed equity assets?

☑ **(A) We commission customised indexes**

Explain:

In recent years our index equity business has embraced product innovation through the establishment of a dedicated Index solutions team. The team supports index design and aids clients in achieving their changing investment objectives through new innovative index solutions. L&G now manages over £97 bn (as of December 2024) in Custom and L&G designed index AUM across over 52 index strategies. Our product innovation and leadership in stewardship has also allowed us to champion ESG integration with our clients, not only through active engagement and appropriate voting, but also investment strategy with L&G now managing over £220bn (as at December 2024) in ESG integrated index equity strategies. We take great pleasure in working with clients to better understand their specific ESG requirements and objectives and designing bespoke ESG indices to reflect these using carbon reduction targets, ESG metric improvements, decarbonisation goals, and external benchmark guidelines e.g. Paris-Aligned and Climate Transition Benchmarks. With regards to index creation, we have established relationships with the main index providers of choice such as MSCI, FTSE and Solactive, enabling us to have the ability to offer best-in-class solutions across providers. Furthermore, under this approach we can also integrate our proprietary ESG scoring framework, as well as our flagship climate engagement programme the Climate Impact Pledge, and other innovative features including SDG misalignment/ metric improvement.

☑ **(B) We compare the methodology amongst the index providers available**

Explain:

We identify the most appropriate ESG-themed benchmark and provider following market research as part of our product development process. Clients investing in segregated mandates may instruct us to benchmark their mandate against a specific benchmark which they have selected. This may culminate in the same benchmark administrator as per other products but is not the only factor in the selection process.
An example of some of the technical considerations assessed are the ease of accessing the data, speed to market, operational resilience and flexibility. In addition, we consider the cost and quality of the data sets being delivered/used in index construction and the quality of the support teams from the index providers. Factors that are more or less important will depend on the intended use of each benchmark, but will always have the target client's own objectives at the heart of the assessment.

☑ **(C) We compare the costs of different options available in the market**

Explain:

We have an internal team responsible for centrally managing the administration, relationships and contract negotiation with index providers. Comparing the cost profiles of various index options is always part of the consideration during the product development process.

☐ (D) Other

POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?

☑ **(A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks**
☐ (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
☐ (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
○ (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

	(2) Active - fundamental
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings	☑
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents	☑
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities	☑
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	☑
(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion	○

(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

○

PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of ESG factors in your listed equity valuation or portfolio construction affected the realised returns of those assets.

Heidelberg Materials Heidelberg Materials produces and markets building materials and solutions, offering cement, aggregates, and ready-mixed concrete to customers worldwide. As one of the world's largest building material companies, Heidelberg Cement's products are used in the construction of houses, traffic routes, infrastructure, and more. Nearly half of the company's sales are in Europe, with 25% in North America and 16% in Asia as of 2024. There is significant room for organic growth in both Europe and Asia. While achieving strong sales, the business has demonstrated the ability to improve margins over the past five years. We believe that Heidelberg Materials is a dial mover in the energy transition towards a net-zero world under our 'built environment' theme, enabling a transition in buildings through construction efficiency. Cement is a crucial product for the construction of buildings and infrastructure, and we believe the development of 'green' cement and sustainable practices is essential within construction to enable the alignment to a low-carbon world. The demand for sustainable building materials is increasing, while cement manufacturers are facing growing exposure to the EU Emissions Trading System (ETS) prices due to the phase-out of free allowances. This scenario presents a strategic opportunity for early movers in the cement industry to establish a leading position in low-carbon cement and benefit from industry consolidation, as smaller players may struggle to meet the capital requirements for transitioning to lower-carbon cement. Heidelberg has emerged as a very early mover, with the most mature portfolio of Carbon Capture, Utilisation, and Storage (CCUS) projects in Europe, alongside achieving industry-leading rates of alternative fuel usage and clinker substitution. We believe Heidelberg can capitalise on these opportunities by continuing to grow high-margin sustainable solutions products against a backdrop of structurally higher cement prices and supportive infrastructure packages to end markets.
Our approach with Heidelberg has been to actively engage with the company in support of their sustainability strategy, which includes improving their disclosures to help investors better understand the potential value of its sustainability strategy and ultimately unlock shareholder value. Our engagement experience with the company has been positive, during a period of share price appreciation relative to a benchmark we track.

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

☑ **(A) We share a list of ESG screens**
☑ **(B) We share any changes in ESG screens**
☑ **(C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings**
○ (D) We do not share the above information for all our listed equity assets subject to ESG screens

FIXED INCOME (FI)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?

	(1) SSA	(2) Corporate	(4) Private debt
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(1) for all of our AUM	(1) for all of our AUM	(2) for a majority of our AUM
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?

	(1) SSA	(2) Corporate
(A) Yes, we have a formal process that includes scenario analyses	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a formal process, but does it not include scenario analyses		
(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion	○	○
(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets	○	○

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?

	(1) SSA	(2) Corporate	(4) Private debt
(A) We incorporate material environmental and social factors	☑	☑	☑
(B) We incorporate material governance-related factors	☑	☑	☑
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?

	(1) SSA	(2) Corporate	(4) Private debt
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	○	○	○

(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your organisation incorporate material ESG factors when selecting private debt investments during the due diligence phase?

☑ **(A) We use a qualitative ESG checklist**

Select from dropdown list:

- ○ (1) in all cases
- ◉ **(2) in a majority of cases**
- ○ (3) in a minority of cases

☑ **(B) We assess quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity**

Select from dropdown list:

- ○ (1) in all cases
- ◉ **(2) in a majority of cases**
- ○ (3) in a minority of cases

☑ **(C) We check whether the target company has its own responsible investment policy, sustainability policy or ESG policy**

Select from dropdown list:

- ○ (1) in all cases
- ◉ **(2) in a majority of cases**
- ○ (3) in a minority of cases

☑ **(D) We hire third-party consultants to do technical due diligence on specific material ESG factors where internal capabilities are not available**

Select from dropdown list:

- ○ (1) in all cases
- ○ (2) in a majority of cases
- ◉ **(3) in a minority of cases**

☑ **(E) We require the review and sign-off of our ESG due diligence process by our investment committee, or the equivalent function**

Select from dropdown list:

- ◉ **(1) in all cases**
- ○ (2) in a majority of cases
- ○ (3) in a minority of cases

☑ **(F) We use industry-recognised responsible investment due diligence questionnaire (DDQ) templates**

Select from dropdown list:

- ○ (1) in all cases
- ◉ **(2) in a majority of cases**
- ○ (3) in a minority of cases

☑ **(G) We use another method of incorporating material ESG factors when selecting private debt investments during the due diligence process**

Specify:

As well as using industry-recognised metrics within our ESG questionnaires, we look to engage with our borrowers where there are material ESG factors and work with borrowers pre- and post-investment to monitor and support borrowers on ESG related improvements where possible.

Select from dropdown list:

- ○ (1) in all cases
- ◉ **(2) in a majority of cases**

- (3) in a minority of cases
- (H) We do not incorporate material ESG factors when selecting private debt investments during the due diligence phase

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?

	(1) SSA	(2) Corporate	(3) Private debt
(A) We incorporate it into the forecast of financial metrics or other quantitative assessments	(1) for all of our AUM	(1) for all of our AUM	(2) for a majority of our AUM
(B) We make a qualitative assessment of how material ESG factors may evolve	(1) for all of our AUM	(1) for all of our AUM	(2) for a majority of our AUM
(C) We do not incorporate significant changes in material ESG factors	○	○	○

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?

	(1) SSA	(2) Corporate
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM
(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM
(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM
(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM
(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways		
(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Passive investments	1

Provide an example of how material ESG factors influenced weightings and tilts in the design of your passively managed funds.

L&G Asset Management has developed a rules-based methodology by which to score companies against ESG metrics. The L&G ESG Score aligns with how we engage with, and vote on, the companies in which we invest. In addition, the L&G ESG score is designed to provide alignment between the way that capital is allocated within a strategy and the broader engagement programme. 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. When determining indicators to be used in the L&G ESG Score, market-wide ESG issues that affect long-term returns were assessed.
Once material risks and opportunities were identified, potential data points were assessed to see if they are available, quantifiable and reliable.
• Are companies in the investable universe reporting this information?
• Is the information in a numerical format to be included in the scores?
• Is the data reported regularly to allow for comparison amongst all the relevant companies?
The result of this analysis of over 17,000 companies led to the choice of 32 ESG data points (as of May 2025), which are used in the creation of the L&G ESG score. Our scores focus on the market-wide standards we expect all companies to meet, irrespective of sector.
L&G's ESG Scores are publicly available on our website to further reinforce these standards and make clear to investors and corporates our framework for assessment and means for improvements. We are committed to regularly reviewing and refining our ESG scores. An important feature of the L&G ESG score is its ability to evolve over time to ensure best practice for investors given the changing market landscape with respect to robust ESG data availability, regulatory change, and investor sentiment. This is evident in the recent evolutions of the L&G ESG score through the additions of the temperature alignment and biodiversity programme indicators in 2022. In 2023, the score was updated with a number of new metrics including: water management programme, deforestation programme, value chain emissions intensity and lobbying activities.
Additionally in 2025, we updated the metrics to ensure that indices continue to incorporate the most accurate and up-to-date research in their calculation methodologies. For example, we adjusted the methodology for calculating carbon reserves to better reflect best practices and strengthen the link to financial materiality following a growth in the ESG data landscape as well as an evolution of critical concepts around the energy transition. This proprietary scoring framework is the foundation of our Future World Index funds range. The range makes use of a tilting approach to further improve the ESG credentials, giving greater weight to companies that have higher ESG scores and less weight to those with lower scores. The scores enable us to incentivise companies to improve their ESG profile through a transparent methodology.
Please see the L&G ESG Score website for further details. https://esgscores.landg.com/srp/documents-id/dc2ca5ef-933d-4748-b221-7085515bfa04/Methodologyforratingcompanies.pdf As the L&G ESG Score is focused on company ESG profiles, we have also developed the L&G Sovereign Risk ESG Score to assess relevant metrics for sovereign issuing entities. This score incorporates environmental, social and governance considerations relevant to sovereigns alongside a geopolitical stability/risk metric. The L&G Sovereign Risk ESG Score can be used in the same manner as described above to incorporate ESG considerations into indices by adjusting constituent weightings through scores.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 10	PLUS	OO 19, OO 21	N/A	PUBLIC	Passive investments	1

How does your organisation select the ESG index(es) or benchmark(s) for your passive fixed income assets?

☑ **(A) We commission customised indexes**

Explain:

In recent years our index business has embraced product innovation through the establishment of a dedicated Index Solutions team. The team supports index design and aids clients in achieving their changing investment objectives through new innovative index solutions. L&G now manages over £97 bn (as of December 2024) in Custom and L&G designed index AUM across over 52 index strategies. Our product innovation and leadership in stewardship has also allowed us to champion ESG integration with our clients, not only through active engagement, and appropriate voting, but also investment strategy with L&G now managing over £220bn (as at December 2024) in ESG integrated index equity strategies. We take great pleasure in working with clients to better understand their specific ESG requirements and objectives and designing bespoke ESG indices to reflect these using carbon reduction targets, ESG metric improvements, decarbonisation goals, and external benchmark guidelines e.g. Paris-Aligned and Climate Transition Benchmarks. With regards to index creation, we have established relationships with the main index providers of choice such as MSCI, FTSE and Solactive, enabling us to have the ability to offer best-in-class solutions across providers. Furthermore, under this approach we can also integrate our proprietary ESG scoring framework, as well as our flagship climate engagement programme the Climate Impact Pledge and other innovative features including SDG misalignment/ metric improvement.

☑ **(B) We compare the methodology amongst the index providers available**

Explain:

We identify the most appropriate ESG-themed benchmark and provider following market research as part of its product development process. Clients investing in segregated mandates may instruct us to benchmark their mandate against a specific benchmark which they have selected. This may culminate in the same benchmark administrator as per other products but is not the only factor in the selection process.
An example of some of the technical considerations assessed are the ease of accessing the data, speed to market, operational resilience and flexibility. In addition, we consider the cost and quality of the data sets being delivered/used in index construction and the quality of the support teams from the index providers. Factors that are more or less important will depend on the intended use of each benchmark but will always have the target client's own objectives at the heart of the assessment.

☑ **(C) We compare the costs of different options available in the market**

Explain:

We have an internal team responsible for centrally managing the administration, relationships and contract negotiation with index providers. Comparing the cost profiles of various index options is always part of the consideration during the product development process.

☐ (D) Other

POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

	(1) SSA	(2) Corporate	(4) Private debt
(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits	(1) for all of our AUM	(1) for all of our AUM	(2) for a majority of our AUM
(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors	(1) for all of our AUM	(1) for all of our AUM	(2) for a majority of our AUM
(D) We use another method of incorporating material ESG factors into our portfolio's risk management process			
(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

	(1) SSA	(2) Corporate	(4) Private debt
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings	☑	☑	☑
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents	☑	☑	☑
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities	☑	☑	☐
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	☑	☑	☑
(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion	○	○	○
(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process	○	○	○

PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 13	CORE	OO 21	N/A	PUBLIC	Performance monitoring	1

During the reporting year, how did your organisation incorporate material ESG factors when monitoring private debt investments?

☑ **(A) We used a qualitative ESG checklist**
Select from dropdown list:
- ○ (1) in all cases
- ◉ **(2) in the majority of cases**
- ○ (3) in the minority of cases

☑ **(B) We assessed quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity**
Select from dropdown list:
- ○ (1) in all cases
- ◉ **(2) in the majority of cases**
- ○ (3) in the minority of cases

☑ **(C) We hired third-party consultants to do technical assessment on specific material ESG factors where internal capabilities were not available**
Select from dropdown list:
- ◉ **(1) in all cases**
- ○ (2) in the majority of cases
- ○ (3) in the minority of cases

☑ **(D) We used industry body guidelines**
Select from dropdown list:
- ○ (1) in all cases
- ◉ **(2) in the majority of cases**
- ○ (3) in the minority of cases

☐ (E) We used another method to incorporate material ESG factors into the monitoring of private debt investments
○ (F) We did not incorporate material ESG factors when monitoring private debt investments

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 15	PLUS	OO 20, OO 21	N/A	PUBLIC	Thematic bonds	3

What percentage of environmental, social and/or other labelled thematic bonds held by your organisation has been verified?

	As a percentage of your total labelled bonds:
(A) Third-party assurance	(1) 0%
(B) Second-party opinion	(1) 0%
(C) Approved verifiers or external reviewers (e.g. via CBI or ICMA)	(1) 0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 16	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Thematic bonds	1

What pre-determined criteria does your organisation use to identify which non-labelled thematic bonds to invest in?

☑ **(A) The bond's use of proceeds**
☑ **(B) The issuers' targets**
☑ **(C) The issuers' progress towards achieving their targets**
☑ **(D) The issuer profile and how it contributes to their targets**
○ (E) We do not use pre-determined criteria to identify which non-labelled thematic bonds to invest in
○ (F) Not applicable; we do not invest in non-labelled thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 17	CORE	Multiple, see guidance	N/A	PUBLIC	Thematic bonds	1, 2, 6

During the reporting year, what action did you take in the majority of cases when you felt that the proceeds of a thematic bond were not allocated appropriately or in accordance with the terms of the bond deal or prospectus?

☐ (A) We engaged with the issuer
☐ (B) We alerted thematic bond certification agencies
☐ (C) We sold the security
☐ (D) We blacklisted the issuer
☐ (E) Other action
○ (F) We did not take any specific actions when the proceeds of a thematic bond were not allocated according to the terms of the bond deal during the reporting year

◉ **(G) Not applicable; in the majority of cases, the proceeds of thematic bonds were allocated according to the terms of the bond deal during the reporting year**

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

☑ **(A) We share a list of ESG screens**
☑ **(B) We share any changes in ESG screens**
☑ **(C) We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings**
○ (D) We do not share the above information for all our fixed income assets subject to ESG screens

REAL ESTATE (RE)

POLICY

INVESTMENT GUIDELINES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 1	CORE	OO 21, OO 24, OO 26	N/A	PUBLIC	Investment guidelines	1 to 6

What real estate–specific ESG guidelines are currently covered in your organisation's responsible investment policy(ies)?

☐ (A) Guidelines on our ESG approach to real estate depending on use (e.g. retail and education) and geography
☑ **(B) Guidelines on our ESG approach to new construction**
☑ **(C) Guidelines on our ESG approach to major renovations**
☑ **(D) Guidelines on our ESG approach to standing real estate investments**
☑ **(E) Guidelines on pre-investment screening**
☑ **(F) Guidelines on our approach to ESG integration into short-term or 100-day plans (or equivalent)**
☐ (G) Guidelines on our approach to ESG integration into long-term value creation efforts
☑ **(H) Guidelines on our approach to ESG reporting**
☑ **(I) Guidelines on our engagement approach related to third-party property managers**
☑ **(J) Guidelines on our engagement approach related to tenants**
☑ **(K) Guidelines on our engagement approach related to construction contractors**
○ (L) Our responsible investment policy(ies) does not cover real estate–specific ESG guidelines

FUNDRAISING

COMMITMENTS TO INVESTORS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 2	CORE	OO 21	N/A	PUBLIC	Commitments to investors	1, 4

For all of the funds that you closed during the reporting year, what type of formal responsible investment commitments did you make in Limited Partnership Agreements (LPAs), side letters, or other constitutive fund documents?

◉ **(A) We incorporated responsible investment commitments in LPAs (or equivalent) as a standard default procedure**
○ (B) We added responsible investment commitments in LPAs (or equivalent) upon a client's request
○ (C) We added responsible investment commitments in side letters upon a client's request
○ (D) We did not make any formal responsible investment commitments for the relevant reporting year
○ (E) Not applicable; we have not raised funds in the last five years

PRE-INVESTMENT

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 3	CORE	OO 21	RE 3.1	PUBLIC	Materiality analysis	1

During the reporting year, how did you conduct ESG materiality analysis for your potential real estate investments?

◉ **(A) We assessed ESG materiality for each property, as each case is unique**
Select from dropdown list:
◉ **(1) for all of our potential real estate investments**
○ (2) for a majority of our potential real estate investments
○ (3) for a minority of our potential real estate investments
○ (B) We performed a mix of property level and property type or category level ESG materiality analysis
○ (C) We assessed ESG materiality at the property type or category level only
○ (D) We did not conduct ESG materiality analysis for our potential real estate investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 3.1	CORE	RE 3	N/A	PUBLIC	Materiality analysis	1

During the reporting year, what tools, standards and data did you use in your ESG materiality analysis of potential real estate investments?

☐ (A) We used GRI standards to inform our real estate ESG materiality analysis
☐ (B) We used SASB standards to inform our real estate ESG materiality analysis
☐ (C) We used the UN Sustainable Development Goals (SDGs) to inform our real estate ESG materiality analysis
☐ (D) We used GRESB Materiality Assessment (RC7) or similar to inform our real estate ESG materiality analysis
☑ **(E) We used climate disclosures, such as the TCFD recommendations or other climate risk and/or exposure analysis tools, to inform our real estate ESG materiality analysis**
☐ (F) We used the UN Guiding Principles on Business and Human Rights (UNGPs) to inform our real estate ESG materiality analysis
☑ **(G) We used geopolitical and macro-economic considerations in our real estate ESG materiality analysis**
☑ **(H) We used green building certifications to inform our real estate ESG materiality analysis**
☑ **(I) We engaged with the existing owners and/or managers (or developers for new properties) to inform our real estate ESG materiality analysis**
☐ (J) Other

DUE DILIGENCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 4	CORE	OO 21	N/A	PUBLIC	Due diligence	1

During the reporting year, how did material ESG factors influence your selection of real estate investments?

☑ **(A) Material ESG factors were used to identify risks**
Select from dropdown list:
◉ **(1) for all of our potential real estate investments**
○ (2) for a majority of our potential real estate investments
○ (3) for a minority of our potential real estate investments

☑ **(B) Material ESG factors were discussed by the investment committee (or equivalent)**
Select from dropdown list:
◉ **(1) for all of our potential real estate investments**
○ (2) for a majority of our potential real estate investments
○ (3) for a minority of our potential real estate investments

☑ **(C) Material ESG factors were used to identify remedial actions for our 100-day plans (or equivalent)**
Select from dropdown list:
◉ **(1) for all of our potential real estate investments**
○ (2) for a majority of our potential real estate investments
○ (3) for a minority of our potential real estate investments

☑ **(D) Material ESG factors were used to identify opportunities for value creation**
Select from dropdown list:
◉ **(1) for all of our potential real estate investments**
○ (2) for a majority of our potential real estate investments
○ (3) for a minority of our potential real estate investments

☑ **(E) Material ESG factors informed our decision to abandon potential investments in the due diligence phase in cases where ESG risks were considered too high to mitigate**
Select from dropdown list:
○ (1) for all of our potential real estate investments
○ (2) for a majority of our potential real estate investments
◉ **(3) for a minority of our potential real estate investments**

☑ **(F) Material ESG factors impacted investments in terms of the price offered and/or paid**
Select from dropdown list:
○ (1) for all of our potential real estate investments
◉ **(2) for a majority of our potential real estate investments**
○ (3) for a minority of our potential real estate investments

○ (G) Material ESG factors did not influence the selection of our real estate investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 5	CORE	OO 21	N/A	PUBLIC	Due diligence	1

Once material ESG factors have been identified, what processes do you use to conduct due diligence on these factors for potential real estate investments?

☑ **(A) We conduct a high-level or desktop review against an ESG checklist for initial red flags**
Select from dropdown list:
◉ **(1) for all of our potential real estate investments**
○ (2) for a majority of our potential real estate investments

○ (3) for a minority of our potential real estate investments

☑ **(B) We send detailed ESG questionnaires to target properties**

Select from dropdown list:

◉ **(1) for all of our potential real estate investments**

○ (2) for a majority of our potential real estate investments

○ (3) for a minority of our potential real estate investments

☑ **(C) We hire third-party consultants to do technical due diligence on specific material ESG factors**

Select from dropdown list:

◉ **(1) for all of our potential real estate investments**

○ (2) for a majority of our potential real estate investments

○ (3) for a minority of our potential real estate investments

☑ **(D) We conduct site visits**

Select from dropdown list:

◉ **(1) for all of our potential real estate investments**

○ (2) for a majority of our potential real estate investments

○ (3) for a minority of our potential real estate investments

☐ (E) We conduct in-depth interviews with management and/or personnel

☐ (F) We conduct detailed external stakeholder analysis and/or engagement

☑ **(G) We incorporate ESG due diligence findings in all of our relevant investment process documentation in the same manner as for other key due diligence, e.g. commercial, accounting and legal**

Select from dropdown list:

◉ **(1) for all of our potential real estate investments**

○ (2) for a majority of our potential real estate investments

○ (3) for a minority of our potential real estate investments

☑ **(H) Our investment committee (or an equivalent decision-making body) is ultimately responsible for ensuring all ESG due diligence is completed in the same manner as for other key due diligence, e.g. commercial, accounting and legal**

Select from dropdown list:

◉ **(1) for all of our potential real estate investments**

○ (2) for a majority of our potential real estate investments

○ (3) for a minority of our potential real estate investments

☐ (I) Other

○ (J) We do not conduct due diligence on material ESG factors for potential real estate investments

SELECTION, APPOINTMENT AND MONITORING OF THIRD-PARTY PROPERTY MANAGERS

SELECTION PROCESS OF THIRD-PARTY PROPERTY MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 6	CORE	OO 26	N/A	PUBLIC	Selection process of third-party property managers	1, 4

During the reporting year, how did you include material ESG factors in all of your selections of third-party property managers?

☑ **(A) We requested information from potential third-party property managers on their overall approach to material ESG factors**

☑ **(B) We requested track records and examples from potential third-party property managers on their management of material ESG factors**

☑ **(C) We requested information from potential third-party property managers on their engagement process(es) with stakeholders**

☑ **(D) We requested documentation from potential third-party property managers on their responsible procurement practices, including responsibilities, approach and incentives**

☑ **(E) We requested the assessment of current and planned availability and aggregation of metering data from potential third-party property managers**
☐ (F) Other
○ (G) We did not include material ESG factors in our selection of third-party property managers

APPOINTMENT PROCESS OF THIRD-PARTY PROPERTY MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 7	CORE	OO 26	N/A	PUBLIC	Appointment process of third-party property managers	1, 4

How did you include material ESG factors when appointing your current third-party property managers?

☑ **(A) We set dedicated ESG procedures in all relevant property management phases**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers
☑ **(B) We set clear ESG reporting requirements**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers
☑ **(C) We set clear targets on material ESG factors**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers
☑ **(D) We set incentives related to targets on material ESG factors**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers
☑ **(E) We included responsible investment clauses in property management contracts**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers
☐ (F) Other
○ (G) We did not include material ESG factors in the appointment of third-party property managers

MONITORING PROCESS OF THIRD-PARTY PROPERTY MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 8	CORE	OO 26	N/A	PUBLIC	Monitoring process of third-party property managers	1, 4

How do you include material ESG factors when monitoring current third-party property managers?

☑ **(A) We monitor the performance of quantitative and/or qualitative targets on material environmental factors**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers

☑ **(B) We monitor the performance of quantitative and/or qualitative targets on material social factors**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers

☑ **(C) We monitor the performance of quantitative and/or qualitative targets on material governance factors**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers

☑ **(D) We monitor progress reports on engagement with tenants**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers

☑ **(E) We require formal reporting at least yearly**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers

☑ **(F) We have discussions about material ESG factors with all relevant stakeholders at least yearly**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers

☑ **(G) We conduct a performance review of third-party property managers against targets on material ESG factors and/or a financial incentive structure linked to material ESG factors**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers

☑ **(H) We have internal or external parties conduct site visits at least yearly**
Select from dropdown list:
◉ **(1) for all of our third-party property managers**
○ (2) for a majority of our third-party property managers
○ (3) for a minority of our third-party property managers

☐ (I) Other

○ (J) We do not include material ESG factors in the monitoring of third-party property managers

CONSTRUCTION AND DEVELOPMENT

CONSTRUCTION REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 9	CORE	OO 24	N/A	PUBLIC	Construction requirements	1

What ESG requirements do you currently have in place for all development projects and major renovations?

☑ **(A) We require the management of waste by diverting materials (e.g. from construction and demolition, reusable vegetation, rocks and soil) from disposal**
☑ **(B) We require the minimisation of light and noise pollution that would affect the surrounding community**
☑ **(C) We require the performance of an environmental and social site impact assessment**
☑ **(D) We require the protection of the air quality during construction**
☑ **(E) We require the protection and restoration of the habitat and soils disturbed during construction and/or during previous development**
☑ **(F) We require the protection of surface water, groundwater and aquatic ecosystems by controlling and retaining construction pollutants**
☑ **(G) We require constant monitoring of health and safety at the construction site**
☑ **(H) We require engagement with local communities and other stakeholders during the design and/or planning process**
☐ (I) Other
○ (J) We do not have ESG requirements in place for development projects and major renovations

MINIMUM BUILDING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 10	CORE	OO 24	N/A	PUBLIC	Minimum building requirements	1

What minimum building requirements do you have in place for development projects and major renovations?

☑ **(A) We require the implementation of the latest available metering and internet of things (IoT) technology**
Select from dropdown list:
◉ **(1) for all development projects and major renovations**
○ (2) for a majority of our development projects and major renovations
○ (3) for a minority of our development projects and major renovations

☑ **(B) We require the building to be able to obtain a recognised green and/or healthy building certification for new buildings**
Select from dropdown list:
◉ **(1) for all development projects and major renovations**
○ (2) for a majority of our development projects and major renovations
○ (3) for a minority of our development projects and major renovations

☑ **(C) We require the use of certified (or labelled) sustainable building materials**
Select from dropdown list:
◉ **(1) for all development projects and major renovations**
○ (2) for a majority of our development projects and major renovations
○ (3) for a minority of our development projects and major renovations

☑ **(D) We require the installation of renewable energy technologies where feasible**
Select from dropdown list:
◉ **(1) for all development projects and major renovations**

- ○ (2) for a majority of our development projects and major renovations
- ○ (3) for a minority of our development projects and major renovations

☑ **(E) We require that development projects and major renovations become net-zero carbon emitters within five years of completion of the construction**

Select from dropdown list:

- ◉ **(1) for all development projects and major renovations**
- ○ (2) for a majority of our development projects and major renovations
- ○ (3) for a minority of our development projects and major renovations

☑ **(F) We require water conservation measures**

Select from dropdown list:

- ◉ **(1) for all development projects and major renovations**
- ○ (2) for a majority of our development projects and major renovations
- ○ (3) for a minority of our development projects and major renovations

☑ **(G) We require common health and well-being measures for occupants**

Select from dropdown list:

- ◉ **(1) for all development projects and major renovations**
- ○ (2) for a majority of our development projects and major renovations
- ○ (3) for a minority of our development projects and major renovations

☐ (H) Other

○ (I) We do not have minimum building requirements in place for development projects and major renovations

POST-INVESTMENT

MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 11	CORE	OO 21	RE 11.1	PUBLIC	Monitoring	1

During the reporting year, did you track one or more KPIs on material ESG factors across your real estate investments?

☑ **(A) Yes, we tracked KPIs on environmental factors**

Percentage of real estate assets this applies to:

- ○ (1) >0 to 10%
- ○ (2) >10 to 50%
- ○ (3) >50 to 75%
- ○ (4) >75 to 95%
- ◉ **(5) >95%**

☑ **(B) Yes, we tracked KPIs on social factors**

Percentage of real estate assets this applies to:

- ○ (1) >0 to 10%
- ○ (2) >10 to 50%
- ○ (3) >50 to 75%
- ○ (4) >75 to 95%
- ◉ **(5) >95%**

☑ **(C) Yes, we tracked KPIs on governance factors**

Percentage of real estate assets this applies to:

- ○ (1) >0 to 10%
- ○ (2) >10 to 50%
- ○ (3) >50 to 75%
- ○ (4) >75 to 95%
- ◉ **(5) >95%**

○ (D) We did not track KPIs on material ESG factors across our real estate investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 11.1	PLUS	RE 11	N/A	PUBLIC	Monitoring	1

Provide examples of KPIs on material ESG factors you tracked across your real estate investments during the reporting year.

(A) ESG KPI #1

Electricity use

(B) ESG KPI #2

Gas use

(C) ESG KPI #3

Water use

(D) ESG KPI #4

Waste

(E) ESG KPI #5

Operational carbon

(F) ESG KPI #6

Social factors

(G) ESG KPI #7

Embodied carbon

(H) ESG KPI #8

Flood zones (including forward-looking assessment)

(I) ESG KPI #9
(J) ESG KPI #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 12	CORE	OO 21	N/A	PUBLIC	Monitoring	1

During the reporting year, what ESG building performance data did you collect for your real estate assets?

☑ **(A) Energy consumption**
Select from dropdown list:
- ○ (1) for all of our real estate assets
- ◉ **(2) for a majority of our real estate assets**
- ○ (3) for a minority of our real estate assets

☑ **(B) Water consumption**
Select from dropdown list:
- ○ (1) for all of our real estate assets
- ○ (2) for a majority of our real estate assets
- ◉ **(3) for a minority of our real estate assets**

☑ **(C) Waste production**
Select from dropdown list:
- ○ (1) for all of our real estate assets

- ○ (2) for a majority of our real estate assets
- ◉ **(3) for a minority of our real estate assets**

☑ **(D) Other**

Specify:

Air Quality Data

Select from dropdown list:

- ○ (1) for all of our real estate assets
- ○ (2) for a majority of our real estate assets
- ◉ **(3) for a minority of our real estate assets**

○ (E) We did not collect ESG building performance data for our real estate assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 13	CORE	OO 21, OO 26	RE 13.1	PUBLIC	Monitoring	1, 2

What processes do you have in place to support meeting your targets on material ESG factors for your real estate investments?

☑ **(A) We use operational-level benchmarks to assess and analyse the performance of assets against sector performance**

Select from dropdown list:

- ◉ **(1) for all of our real estate assets**
- ○ (2) for a majority of our real estate assets
- ○ (3) for a minority of our real estate assets

☑ **(B) We implement certified environmental and social management systems across our portfolio**

Select from dropdown list:

- ○ (1) for all of our real estate assets
- ◉ **(2) for a majority of our real estate assets**
- ○ (3) for a minority of our real estate assets

☑ **(C) We make sufficient budget available to ensure that the systems and procedures needed are established**

Select from dropdown list:

- ◉ **(1) for all of our real estate assets**
- ○ (2) for a majority of our real estate assets
- ○ (3) for a minority of our real estate assets

☑ **(D) We hire external verification services to audit performance, systems, and procedures**

Select from dropdown list:

- ◉ **(1) for all of our real estate assets**
- ○ (2) for a majority of our real estate assets
- ○ (3) for a minority of our real estate assets

☑ **(E) We collaborate and engage with our third-party property managers and/or tenants to develop action plans**

Select from dropdown list:

- ◉ **(1) for all of our real estate assets**
- ○ (2) for a majority of our real estate assets
- ○ (3) for a minority of our real estate assets

☑ **(F) We develop minimum health and safety standards**

Select from dropdown list:

- ◉ **(1) for all of our real estate assets**
- ○ (2) for a majority of our real estate assets
- ○ (3) for a minority of our real estate assets

☑ **(G) We conduct ongoing engagement with all key stakeholders, e.g. local communities, NGOs, governments, and end-users**

Select from dropdown list:

- ○ (1) for all of our real estate assets
- ○ (2) for a majority of our real estate assets
- ◉ **(3) for a minority of our real estate assets**

☐ (H) Other

○ (I) We do not have processes in place to help meet our targets on material ESG factors for our real estate investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 13.1	PLUS	RE 13	N/A	PUBLIC	Monitoring	1, 2

Describe up to two processes you put in place during the reporting year to support meeting your targets on material ESG factors.

(A) Process one

We developed a guidance and strategy document on Biodiversity Net Gain (BNG) for our internal Development Managers and external design teams and project managers. This covered the new regulations associated with BNG and how to implement an optimised approach to projects. Dissemination and training of the teams in the new guidance was delivered by external specialist ecology consultants.

(B) Process two

In 2024, we worked with climate specialists Marsh and climate modelling partners XDI to develop a Climate Resilience Framework to enhance our climate resilience strategy. In addition to flood risk, which has always been embedded within our due diligence process, we are working towards better integrating forward-looking climate risk modelling across a wide range of hazards into our standard due diligence process. The information from these assessments will be shared with the investment committee to enable it to make more informed investment decisions. We had previously assessed flood risk data and on-site resilience and required adaptation as part of our due diligence process. However, introducing climate modelling will better integrate forward-looking risk and resilience considerations. This process will be supported by a new Climate Adaptation Toolkit that will guide transaction, technical due diligence, and asset management teams to more comprehensively assess on-site resilience and review and prioritise adaptation measures for assets. The Climate Adaptation Toolkit will also be applied to existing assets which are found to have high risk or have experience a climate-related event. This will include an updated and streamlined process for assessing on-site resilience and potential adaptation measures for assets identified to be at risk to improve resilience and meet risk thresholds. This new process will be rolled out across the platform in 2025.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 14	CORE	OO 21	N/A	PUBLIC	Monitoring	1, 2

Post-investment, how do you manage material ESG risks and ESG opportunities to create value during the holding period?

☑ **(A) We develop property-specific ESG action plans based on pre-investment research, due diligence and materiality findings**

Select from dropdown list:

◉ **(1) for all of our real estate investments**
○ (2) for a majority of our real estate investments
○ (3) for a minority of our real estate investments

☑ **(B) We review our ESG action plans based on performance monitoring findings at least yearly**

Select from dropdown list:

◉ **(1) for all of our real estate investments**
○ (2) for a majority of our real estate investments
○ (3) for a minority of our real estate investments

☑ **(C) We, or the external advisors that we hire, support our real estate investments with specific ESG value-creation opportunities**

Select from dropdown list:

◉ **(1) for all of our real estate investments**
○ (2) for a majority of our real estate investments
○ (3) for a minority of our real estate investments

☐ (D) Other

○ (E) We do not manage material ESG risks and opportunities post-investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 16	PLUS	OO 21	N/A	PUBLIC	Monitoring	1, 2

Describe how your ESG action plans are currently defined, implemented and monitored throughout the investment period.

L&G maintains Asset Sustainability Plans (ASP) for each operational asset. These detail every sustainability measure that could be applied to the Property to improve the sustainability performance over the short, medium and long-term, with budget costs, payback estimates and measures prioritised year by year. Such plans should be coordinated with annual fund strategy reports (where provided), planned maintenance plans and service charge budgets (where applicable) and should include provisions for the optimisation of all mechanical and electrical installations, together with capital cost proposals and payback estimates to upgrade Energy Performance Certificates. They also include social impact strategies, travel plans, biodiversity plans, tenant engagement and community engagement plans, where appropriate. When new assets are acquired, actions from sustainability assessments are included in the ASP. ASPs are reviewed and updated annually ahead of budgeting cycles. Individual actions are held on our ESG data platform, Deepki, and reviewed with Property Managers and Facilities Managers as part of our fund-level Quarterly Sustainability Meetings.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 17	CORE	OO 21	N/A	PUBLIC	Monitoring	1

What proportion of your real estate assets has obtained a green or sustainable building certification?

◉ **(A) All of our real estate assets have obtained a green or sustainable building certification**
○ (B) A majority of our real estate assets have obtained a green or sustainable building certification
○ (C) A minority of our real estate assets have obtained a green or sustainable building certification
○ (D) None of our real estate assets have obtained a green or sustainable building certification

STAKEHOLDER ENGAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 18	CORE	OO 21	N/A	PUBLIC	Stakeholder engagement	1, 2

How does your third-party property manager(s) engage with tenants?

☑ **(A) They engage with real estate tenants on energy, water consumption and/or waste production**
Select from dropdown list:
◉ **(1) for all of our buildings or properties**
○ (2) for a majority of our buildings or properties
○ (3) for a minority of our buildings or properties

☑ **(B) They engage with real estate tenants by organising tenant events focused on increasing sustainability awareness, ESG training and guidance**
Select from dropdown list:
○ (1) for all of our buildings or properties
○ (2) for a majority of our buildings or properties
◉ **(3) for a minority of our buildings or properties**

☑ **(C) They engage with real estate tenants by offering green leases**
Select from dropdown list:
◉ **(1) for all of our buildings or properties**

○ (2) for a majority of our buildings or properties
○ (3) for a minority of our buildings or properties

☑ **(D) They engage with real estate tenants by identifying collaboration opportunities that support targets related to material ESG factors**

Select from dropdown list:

◉ **(1) for all of our buildings or properties**
○ (2) for a majority of our buildings or properties
○ (3) for a minority of our buildings or properties

☑ **(E) They engage with real estate tenants by offering shared financial benefits from equipment upgrades**

Select from dropdown list:

◉ **(1) for all of our buildings or properties**
○ (2) for a majority of our buildings or properties
○ (3) for a minority of our buildings or properties

☐ (F) Other

○ (G) Our third-party property manager(s) do not engage with tenants

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 19	PLUS	OO 21	N/A	PUBLIC	Stakeholder engagement	1, 2

During the reporting year, how did you or the organisations operating on your behalf engage with the local community above and beyond what is required by relevant regulations for asset design, use and/or repurposing?

L&G believes that by taking a responsible investment approach, there is a compelling opportunity to drive both positive real-world outcomes and add long-term value, whilst maintaining commercial benefit. As an investor, owner, and developer of real assets, we believe we are well-positioned to deliver positive economic and social impacts. We define social impact as the intentional, additional, and attributable economic, social, and environmental benefits to communities as a result of our investment. We utilise a place-based impact approach to investment and asset management. This entails, where possible, taking an asset-level view as to how it can intentionally contribute, deliver, and catalyse positive outcomes across a range of themes and priority areas in the L&G Place-based Social Impact Framework.
The purpose of the Framework, first developed in 2022, is to drive economic, social, and environmental benefits for the people and communities connected to the places we invest in. It helps us understand the different needs and context of a specific asset and best help address local needs, support greater community integration and support the local economy. We have adopted this approach at New Acres, Wandsworth. To help address identified local challenges in unemployment, community cohesion and access to cultural participation, the New Acres site team collaborated with the Royal College of Art to create a brand-new creative studio called Super SATELLITE, which hosts community events, exhibitions, and weekly design workshops, focussing on sustainability, including turning the development's construction waste into art.
The studio provides an opportunity for students to connect and collaborate with the Wandsworth community. In 2024, the studio supported local community engagement and partnerships by hosting 35 design workshops and three community events with over 200 attendees receiving 98% positive feedback. Additionally, the space was utilised by 18 resident graduates. The fund will continue to seek to host community events and utilise the space for social initiatives.

EXIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 20	CORE	OO 21	N/A	PUBLIC	Exit	4, 6

During the reporting year, what responsible investment information was shared with potential buyers of real estate investments?

☐ (A) Our firm's high-level commitment to responsible investment, e.g. that we are a PRI signatory
☐ (B) A description of what industry and asset class standards our firm aligns with, e.g. TCFD or GRESB
☐ (C) Our firm's responsible investment policy (at minimum, a summary of key aspects and firm-specific approach)
☐ (D) Our firm's ESG risk assessment methodology (topics covered in-house and/or with external support)
☑ **(E) The outcome of our latest ESG risk assessment of the property(s)**

Select from dropdown list:

◉ **(1) for all of our real estate investments**

○ (2) for a majority of our real estate investments

○ (3) for a minority of our real estate investments

☑ **(F) Key ESG performance data on the property(s) being sold**

Select from dropdown list:

◉ **(1) for all of our real estate investments**

○ (2) for a majority of our real estate investments

○ (3) for a minority of our real estate investments

☐ (G) Other

○ (H) No responsible investment information was shared with potential buyers of real estate investments during the reporting year

○ (I) Not applicable; we had no sales process (or control over the sales process) during the reporting year

DISCLOSURE OF ESG PORTFOLIO INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 21	CORE	OO 21	N/A	PUBLIC	Disclosure of ESG portfolio information	6

During the reporting year, how did you report on your targets on material ESG factors and related data to your investors?

☑ **(A) We reported through a publicly disclosed sustainability report**

☑ **(B) We reported in aggregate through formal reporting to investors**

☐ (C) We reported at the property level through formal reporting to investors

☐ (D) We reported through a limited partners advisory committee (or equivalent)

☑ **(E) We reported at digital or physical events or meetings with investors**

☑ **(F) We had a process in place to ensure that serious ESG incidents were reported**

☑ **(G) Other**

Specify:

Fund level GRESB reporting and Fund level ESG reports

○ (H) We did not report our targets on material ESG factors and related data to our investors during the reporting year

SUSTAINABILITY OUTCOMES (SO)

SETTING TARGETS AND TRACKING PROGRESS

SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

☑ **(A) Sustainability outcome #1**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☐ (1) The UN Sustainable Development Goals (SDGs) and targets
☐ (2) The UNFCCC Paris Agreement
☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
☐ (5) The EU Taxonomy
☐ (6) Other relevant taxonomies
☐ (7) The International Bill of Human Rights
☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
☐ (9) The Convention on Biological Diversity
☑ **(10) Other international, regional, sector-based or issue-specific framework(s)**

(2) Classification of sustainability outcome

☑ **(1) Environmental**
☐ (2) Social
☐ (3) Governance-related
☐ (4) Other

(3) Sustainability outcome name

COP26 Commitment on Eliminating Agricultural Commodity Driven Deforestation from Investment Portfolios

(4) Number of targets set for this outcome

○ (1) No target
◉ **(2) One target**
○ (3) Two or more targets

☑ **(B) Sustainability outcome #2**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☐ (1) The UN Sustainable Development Goals (SDGs) and targets
☑ **(2) The UNFCCC Paris Agreement**
☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
☐ (5) The EU Taxonomy
☐ (6) Other relevant taxonomies
☐ (7) The International Bill of Human Rights
☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
☐ (9) The Convention on Biological Diversity
☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome
☑ **(1) Environmental**
☐ (2) Social
☐ (3) Governance-related
☐ (4) Other
(3) Sustainability outcome name

NZAM AUM Commitment

(4) Number of targets set for this outcome
○ (1) No target
◉ **(2) One target**
○ (3) Two or more targets

☑ **(C) Sustainability outcome #3**
(1) Widely recognised frameworks used to guide action on this sustainability outcome
☐ (1) The UN Sustainable Development Goals (SDGs) and targets
☐ (2) The UNFCCC Paris Agreement
☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
☐ (5) The EU Taxonomy
☐ (6) Other relevant taxonomies
☐ (7) The International Bill of Human Rights
☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
☐ (9) The Convention on Biological Diversity
☑ **(10) Other international, regional, sector-based or issue-specific framework(s)**
(2) Classification of sustainability outcome
☐ (1) Environmental
☑ **(2) Social**
☐ (3) Governance-related
☐ (4) Other
(3) Sustainability outcome name

Diversity

(4) Number of targets set for this outcome
○ (1) No target
○ (2) One target
◉ **(3) Two or more targets**

☑ **(D) Sustainability outcome #4**
(1) Widely recognised frameworks used to guide action on this sustainability outcome
☐ (1) The UN Sustainable Development Goals (SDGs) and targets
☐ (2) The UNFCCC Paris Agreement
☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
☐ (5) The EU Taxonomy
☐ (6) Other relevant taxonomies
☐ (7) The International Bill of Human Rights
☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
☐ (9) The Convention on Biological Diversity
☑ **(10) Other international, regional, sector-based or issue-specific framework(s)**
(2) Classification of sustainability outcome
☐ (1) Environmental
☑ **(2) Social**
☐ (3) Governance-related
☐ (4) Other

(3) Sustainability outcome name

The Living Wage

(4) Number of targets set for this outcome
- ○ (1) No target
- ◉ **(2) One target**
- ○ (3) Two or more targets

☑ **(E) Sustainability outcome #5**

(1) Widely recognised frameworks used to guide action on this sustainability outcome
- ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
- ☐ (2) The UNFCCC Paris Agreement
- ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☐ (5) The EU Taxonomy
- ☐ (6) Other relevant taxonomies
- ☐ (7) The International Bill of Human Rights
- ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☐ (9) The Convention on Biological Diversity
- ☑ **(10) Other international, regional, sector-based or issue-specific framework(s)**

(2) Classification of sustainability outcome
- ☐ (1) Environmental
- ☑ **(2) Social**
- ☐ (3) Governance-related
- ☐ (4) Other

(3) Sustainability outcome name

Antimicrobial Resistance

(4) Number of targets set for this outcome
- ◉ **(1) No target**
- ○ (2) One target
- ○ (3) Two or more targets

☑ **(F) Sustainability outcome #6**

(1) Widely recognised frameworks used to guide action on this sustainability outcome
- ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
- ☐ (2) The UNFCCC Paris Agreement
- ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☐ (5) The EU Taxonomy
- ☐ (6) Other relevant taxonomies
- ☐ (7) The International Bill of Human Rights
- ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☐ (9) The Convention on Biological Diversity
- ☑ **(10) Other international, regional, sector-based or issue-specific framework(s)**

(2) Classification of sustainability outcome
- ☐ (1) Environmental
- ☑ **(2) Social**
- ☐ (3) Governance-related
- ☐ (4) Other

(3) Sustainability outcome name

Nutrition

(4) Number of targets set for this outcome
- ◉ **(1) No target**
- ○ (2) One target
- ○ (3) Two or more targets

☐ (G) Sustainability outcome #7
☐ (H) Sustainability outcome #8
☐ (I) Sustainability outcome #9
☐ (J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

	(A1) Sustainability Outcome #1: Target details
(A1) Sustainability Outcome #1:	COP26 Commitment on Eliminating Agricultural Commodity Driven Deforestation from Investment Portfolios
(1) Target name	Eliminating ag. commodity deforestation from funds
(2) Baseline year	2021
(3) Target to be met by	2025
(4) Methodology	As a signatory, we commit to use best efforts to tackle commodity driven deforestation impacts in investment portfolios by 2025, and work towards the following milestones: By 2022: Assess exposure to deforestation risk, with a focus on 'forest-risk' agricultural commodities -- palm oil, soy, beef and leather, pulp and paper. Establish investment policies addressing exposure to agricultural commodity-driven deforestation. Deepen engagement of the highest risk holdings on deforestation in their supply chains. By 2023: Disclose deforestation risk and mitigation activities in portfolios, including due diligence and engagement. By 2025: Publicly report credible progress, in alignment with peers, on the milestones to eliminate forest risk agricultural commodity-driven deforestation in the underlying holdings in our investment portfolios through successful company engagement. % AUM target refers to percentage (i.e. 100%) of listed equity and corporate bonds.
(5) Metric used (if relevant)	
(6) Absolute or intensity-based (if relevant)	(1) Absolute
(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	

(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) Do you also have a longer-term target for this?	(2) No
	(B1) Sustainability Outcome #2: Target details
(B1) Sustainability Outcome #2:	NZAM AUM Commitment
(1) Target name	Net zero by 2050 target
(2) Baseline year	2019
(3) Target to be met by	2050
(4) Methodology	Drawing on industry best practice, we have set out our key requirements for a fund or investment portfolio to be considered net-zero-aligned. Our methodology incorporates recommendations from the Paris-Aligned Investment Initiative's Net Zero Investment Framework, as well as the UN Net Zero Asset Owner Alliance and the Science-Based Targets Initiative's guidance for financial institutions. It incorporates core commonalities of these frameworks, including net-zero targets, decarbonisation pathways, targeted sector-based exclusions, engagement and allocation to green opportunities. As part of this commitment, we have also set an interim target for 2030 of 70% AUM to be managed in line with net zero.
(5) Metric used (if relevant)	Key indicators will include carbon intensity reductions consistent with a fair share of the 50% global reduction in CO2 identified as a requirement in the IPCC special report on global warming of 1.5°C, and/or implied portfolio temperature alignment of 1.5°C by 2030.
(6) Absolute or intensity-based (if relevant)	(1) Absolute
(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	
(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) Do you also have a longer-term target for this?	(2) No

	(C1) Sustainability Outcome #3: Target details
(C1) Sustainability Outcome #3:	Diversity
(1) Target name	Gender diversity
(2) Baseline year	
(3) Target to be met by	
(4) Methodology	Assessment using third-party data and direct engagement.
(5) Metric used (if relevant)	Number of women on company boards.
(6) Absolute or intensity-based (if relevant)	
(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	Expectation for global companies to reach a minimum of 30% women on the board since 2010. Asking UK and US large cap companies for at least one woman at executive committee level.
(9) Percentage of total AUM covered in your baseline year for target setting	
(10) Do you also have a longer-term target for this?	(2) No
	(C2) Sustainability Outcome #3: Target details
(C2) Sustainability Outcome #3:	Diversity
(1) Target name	Ethnic Diversity
(2) Baseline year	
(3) Target to be met by	
(4) Methodology	Assessment using third-party data and direct engagement.
(5) Metric used (if relevant)	Number of people of ethnic diversity at board level.

(6) Absolute or intensity-based (if relevant)	
(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	At least one person of ethnic diversity on UK FTSE100 and FTSE250 boards and (by 2025) US S&P500 and Russell 1000 boards.
(9) Percentage of total AUM covered in your baseline year for target setting	
(10) Do you also have a longer-term target for this?	(2) No
	(D1) Sustainability Outcome #4: Target details
(D1) Sustainability Outcome #4:	The Living Wage
(1) Target name	UN PRI Advance: Policy
(2) Baseline year	
(3) Target to be met by	2025
(4) Methodology	Third-party data assessment and company engagement.
(5) Metric used (if relevant)	Whether a company discloses their living wage strategy by 2025.
(6) Absolute or intensity-based (if relevant)	
(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	
(9) Percentage of total AUM covered in your baseline year for target setting	
(10) Do you also have a longer-term target for this?	(2) No

FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

☑ **(A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets**
☐ (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
☐ (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
○ (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
○ (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
NZAM 1	PLUS	NZAM, SO 3	SO 3.1, SO 3.2	PUBLIC	Focus: Setting net-zero targets	General

Select the relevant asset class breakdown for your organisation to report on your net-zero targets.

◉ **(A) PRI's standard asset class breakdown**
○ (B) Asset class breakdown as per the NZAOA's Target Setting Protocol

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.1	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

Provide details of your nearest-term net zero targets per asset class.

(A) PRI asset class breakdown
☑ **Listed equity**

	Target details
(A) PRI asset class breakdown: Listed equity	
(1) Baseline year	2019
(2) Target to be met by	2050

(3) Emissions included in target	(1) Scope 1 (2) Scope 2
(4) Methodology	It is important to note that there is considerable variation in approaches as to how asset managers have interpreted net zero guidance and established their net zero AUM targets. We have taken an ambitious but honest and prudent approach, aiming to be fully transparent in how we are approaching aligning assets to net zero and what we can credibly label as net zero assets. L&G Asset Management's % AUM target may therefore appear lower than some of our peers because we are assuming that sovereigns and derivatives cannot be considered net-zero aligned until a consistent methodology is agreed. Drawing on industry best practice, we have set out our key requirements for a fund or investment portfolio to be considered net-zero-aligned. Our methodology incorporates recommendations from the Paris-Aligned Investment Initiative's Net Zero Investment Framework, as well as the UN Net Zero Asset Owner Alliance and the Science-Based Targets Initiative's guidance for financial institutions. It incorporates core commonalities of these frameworks, including net-zero targets, decarbonisation pathways, targeted sector-based exclusions, engagement and allocation to green opportunities. Key indicators will include carbon intensity reductions consistent with a fair share of the 50% global reduction in CO2 identified as a requirement in the IPCC special report on global warming of 1.5°C, and/or implied portfolio temperature alignment of 1.5°C by 2030.
(5) Metric used	(9) Other
(6) Baseline amount	
(7) Current amount (if different from baseline amount)	
(8) Targeted reduction with respect to baseline	50%
(9) Percentage of total AUM covered in your baseline year for target setting	38%
(10) If coverage is below 100% for this asset class, explain why	For this first interim target, we have excluded government securities and derivative assets due to the lack of clear industry methodologies to account for these asset classes. As a result, the 70% target that we have set to be managed in line with net zero covers eligible asset classes only.

☑ **Fixed income**

Target details

(A) PRI asset class breakdown: Fixed income	
(1) Baseline year	2019
(2) Target to be met by	2050

(3) Emissions included in target	(1) Scope 1 (2) Scope 2
(4) Methodology	It is important to note that there is considerable variation in approaches as to how asset managers have interpreted net zero guidance and established their net zero AUM targets. While this is particularly so between active and passive managers, even in large passive houses, the level of ambition in targets and stringency of approach varies noticeably. The latest NZAMI update report shows an average of 39% AUM target. We have taken an ambitious but honest and prudent approach, aiming to be fully transparent in how we are approaching aligning assets to net zero and what we can credibly label as net zero assets. L&G Asset Management's AUM target may therefore appear lower than some of our peers because we have taken a more stringent and what we believe to be a more credible approach to defining net zero alignment, and because we are assuming that sovereigns and derivatives cannot be considered net-zero aligned until a consistent methodology is agreed. We would also note that, among our competitors, the use of the definition “SBT or equivalent” as equal to “net zero aligned” is far less stringent than our definition. Drawing on industry best practice, we have set out our key requirements for a fund or investment portfolio to be considered net-zero-aligned. Our methodology incorporates recommendations from the Paris-Aligned Investment Initiative’s Net Zero Investment Framework, as well as the UN Net Zero Asset Owner Alliance and the Science-Based Targets Initiative’s guidance for financial institutions. It incorporates core commonalities of these frameworks, including net-zero targets, decarbonisation pathways, targeted sector-based exclusions, engagement and allocation to green opportunities. Key indicators will include carbon intensity reductions consistent with a fair share of the 50% global reduction in CO2 identified as a requirement in the IPCC special report on global warming of 1.5°C, and/or implied portfolio temperature alignment of 1.5°C by 2030.
(5) Metric used	(9) Other
(6) Baseline amount	
(7) Current amount (if different from baseline amount)	
(8) Targeted reduction with respect to baseline	50%
(9) Percentage of total AUM covered in your baseline year for target setting	38%
(10) If coverage is below 100% for this asset class, explain why	For this first interim target, we have excluded government securities and derivative assets due to the lack of clear industry methodologies to account for these asset classes. As a result, the 70% target that we have set to be managed in line with net zero covers eligible asset classes only.

☐ Private equity
☑ **Real estate**

	Target details	
(A) PRI asset class breakdown: Real estate		
(1) Baseline year	2019	
(2) Target to be met by	2050	
(3) Emissions included in target		(1) Scope 1 (2) Scope 2 (3) Scope 3
(4) Methodology	Across our real estate equity assets, we have set an SBTi validated target to 2030 to support our trajectory to net zero, which commits us to reduce the operational energy and carbon of our landlord-controlled areas through a 42% reduction in absolute operational carbon emissions (scope 1 & 2). As part of the process, we have set a further “SBT-aligned” target across scope 3 emissions associated with occupier energy use, where we have committed to reducing our downstream leased asset GHG emissions by 55% per square metre by 2030 from a 2019 base year. Both targets are aligned with 1.5°C ‘Paris’ pathways. Note, the responses below refer to the scope 1 & 2 target.	
(5) Metric used		(9) Other
(6) Baseline amount	23, 857 tCO2e	
(7) Current amount (if different from baseline amount)	13,100 tCO2e	
(8) Targeted reduction with respect to baseline	42%	
(9) Percentage of total AUM covered in your baseline year for target setting	100%	
(10) If coverage is below 100% for this asset class, explain why		

☐ Infrastructure
☐ Hedge funds
☐ Forestry
☐ Farmland
☐ Other

TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

	(A1) Sustainability outcome #1:
(A1) Sustainability outcome #1:	COP26 Commitment on Eliminating Agricultural Commodity Driven Deforestation from Investment Portfolios
Target name:	Eliminating ag. commodity deforestation from funds
Does your organisation track progress against your nearest-term sustainability outcome targets?	(1) Yes
	(B1) Sustainability outcome #2:
(B1) Sustainability outcome #2:	NZAM AUM Commitment
Target name:	Net zero by 2050 target
Does your organisation track progress against your nearest-term sustainability outcome targets?	(1) Yes
	(C1) Sustainability outcome #3:
(C1) Sustainability outcome #3:	Diversity
Target name:	Gender diversity
Does your organisation track progress against your nearest-term sustainability outcome targets?	(1) Yes

	(C2) Sustainability outcome #3:	
(C2) Sustainability outcome #3:	Diversity	
Target name:	Ethnic Diversity	
Does your organisation track progress against your nearest-term sustainability outcome targets?		(1) Yes
	(D1) Sustainability outcome #4:	
(D1) Sustainability outcome #4:	The Living Wage	
Target name:	UN PRI Advance: Policy	
Does your organisation track progress against your nearest-term sustainability outcome targets?		(1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?

	(A1) Sustainability Outcome #1: Target details	
(A1) Sustainability Outcome #1:	COP26 Commitment on Eliminating Agricultural Commodity Driven Deforestation from Investment Portfolios	
(1) Target name	Eliminating ag. commodity deforestation from funds	
(2) Target to be met by	2025	
(3) Metric used (if relevant)		
(4) Current level or amount (if relevant)		

(5) Other qualitative or quantitative progress	We updated our Deforestation Policy in September 2024 to reflect best practice guidance, follow the latest industry standards on deforestation, and ensure alignment with our broader global stewardship policies. We have expanded its scope to include cocoa, coffee, and rubber. Improvements in data have enabled us to identify and assess companies involved with these commodities, allowing us to expand beyond our initial coverage of palm oil, soy, cattle products (beef and leather), and timber products (forestry, pulp and paper). In this update we have outlined disclosure frameworks for companies to follow, listed useful tools, and included links to guidance that we believe can help companies achieve supply chains free from deforestation and land conversion. We also note key data providers for companies to collaborate with to increase the availability and accuracy of nature data. We expect all companies in 'deforestation-critical' sectors, to have both a deforestation policy and programme. Companies not meeting this, subject to data availability, will be identified for vote sanctions (normally a vote against the chair) at AGMs. 119 companies were identified for vote sanctions at 2024 AGMs for not meeting our deforestation minimum expectations. We continue our deforestation campaign outreach and engagement, including within our Climate Impact Pledge.
(6) Methodology for tracking progress	We will continue to monitor our exposure and the impact of our campaigns, using the data available to us, and qualitative assessment.
	(B1) Sustainability Outcome #2: Target details
(B1) Sustainability Outcome #2:	NZAM AUM Commitment
(1) Target name	Net zero by 2050 target
(2) Target to be met by	2050
(3) Metric used (if relevant)	Key indicators will include carbon intensity reductions consistent with a fair share of the 50% global reduction in CO2 identified as a requirement in the IPCC special report on global warming of 1.5°C, and/or implied portfolio temperature alignment of 1.5°C by 2030.
(4) Current level or amount (if relevant)	
(5) Other qualitative or quantitative progress	To work towards our Net Zero target, L&G continues to work with clients to develop new strategies that are aligned to our Net Zero framework and evolve funds in our existing range. In 2024, in line with the International Energy Agency's (IEA's) net zero emission scenario, we tightened the coal and oil sands exclusions criteria for products that use the Future World Protection List by adding a 'no new coal' restriction and reducing the revenue threshold for oil sands. The Future World Protection List is a list of exclusions developed for L&G's Future World Funds and used across a range of other funds. Additionally, we continued to apply exclusions relating to our Climate Impact Pledge to applicable funds; exclusions were applied to around £202bn assets (as at 31.12.24) and the exclusion list contained 16 companies (as at 31.12.24).

(6) Methodology for tracking progress	Drawing on industry best practice, we have set out L&G's key requirements for a fund or investment portfolio to be considered net-zero-aligned. Our methodology incorporates recommendations from the Paris-Aligned Investment Initiative's Net Zero Investment Framework, as well as the UN Net Zero Asset Owner Alliance and the Science-Based Targets Initiative's guidance for financial institutions. It incorporates core commonalities of these frameworks, including net-zero targets, decarbonisation pathways, targeted sector-based exclusions, engagement and allocation to green opportunities.
	(C1) Sustainability Outcome #3: Target details
(C1) Sustainability Outcome #3:	Diversity
(1) Target name	Gender diversity
(2) Target to be met by	
(3) Metric used (if relevant)	Number of women on company boards.
(4) Current level or amount (if relevant)	
(5) Other qualitative or quantitative progress	We engaged with 32 companies on the topic of gender diversity in 2024, and voted against directors at over 2,000 companies lagging our expectations on gender diversity at board (and, in UK and US large-cap companies) executive committee level.
(6) Methodology for tracking progress	Third-party data assessment and engagement.
	(C2) Sustainability Outcome #3: Target details
(C2) Sustainability Outcome #3:	Diversity
(1) Target name	Ethnic Diversity
(2) Target to be met by	
(3) Metric used (if relevant)	Number of people of ethnic diversity at board level.
(4) Current level or amount (if relevant)	
(5) Other qualitative or quantitative progress	We engaged with 47 companies on ethnic diversity in 2024, and voted against 2 large-cap UK and US firms for not meeting our minimum expectation of one ethnically diverse board member.

(6) Methodology for tracking progress	Third-party data assessment and engagement.
	(D1) Sustainability Outcome #4: Target details
(D1) Sustainability Outcome #4:	The Living Wage
(1) Target name	UN PRI Advance: Policy
(2) Target to be met by	2025
(3) Metric used (if relevant)	Whether a company discloses their living wage strategy by 2025.
(4) Current level or amount (if relevant)	
(5) Other qualitative or quantitative progress	We have been engaging on income inequality and, more specifically, on the topic of living wage for a number of years individually, and collaboratively through both the ShareAction Good Work Coalition and the Platform for Living Wage Financials. We undertook over 30 engagements on the topic in 2024.
(6) Methodology for tracking progress	Engagement.

INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

☑ **(A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets**
Select from drop down list:
☑ **(1) Individually**
☑ **(2) With other investors or stakeholders**
☐ (B) Stewardship: engagement with external investment managers
☑ **(C) Stewardship: engagement with policy makers**
Select from drop down list:
☑ **(1) Individually**
☑ **(2) With other investors or stakeholders**
☑ **(D) Stewardship: engagement with other key stakeholders**
Select from drop down list:

☑ (1) Individually
☑ (2) With other investors or stakeholders
☑ (E) Capital allocation
○ (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 6	PLUS	SO 5	N/A	PUBLIC	Capital allocation	1

During the reporting year, how did your organisation use capital allocation to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

	(A) Across all sustainability outcomes
(1) Capital allocation activities used	(4) Divestment from assets or sectors
(2) Explain through an example	
	(B) Sustainability Outcome #1:
(B) Sustainability Outcome #1:	COP26 Commitment on Eliminating Agricultural Commodity Driven Deforestation from Investment Portfolios
(1) Capital allocation activities used	(4) Divestment from assets or sectors
(2) Explain through an example	Under our Climate Impact Pledge, we may divest from companies (within certain funds) with whom we engage directly and which, following engagement, have not made sufficient progress versus our minimum expectations for their sector. Companies that do make progress may be reinstated into the relevant funds (having previously been excluded). In our 2024 update, we had added TJX to our divestment list (applied to certain of our funds). We remain concerned that TJX does not have a zero-deforestation policy in place and has not shown a clear intention to analyse its potential exposure to commodity-driven deforestation. TJX does not provide comprehensive disclosure of material Scope 3 emissions (particularly category 1: purchased goods and services). Its net-zero target and decarbonisation efforts are limited to reducing operational emissions, leaving value chain emissions unaddressed. There is also a lack of disclosure form the company on monitoring of trade associations and their alignment with a Paris trajectory to net zero. While we continued to engage with TJX in the 2024-2025 cycle of the Climate Impact Pledge, the company remains on our divestment list for lack of progress, including on deforestation.

	(C) Sustainability Outcome #2:
(C) Sustainability Outcome #2:	NZAM AUM Commitment
(1) Capital allocation activities used	(4) Divestment from assets or sectors
(2) Explain through an example	Under our Climate Impact Pledge, we may divest from companies (within certain funds) with whom we engage directly and which, following engagement, have not made sufficient progress versus our minimum expectations for their sector. Companies that do make progress may be reinstated into the relevant funds (having previously been excluded). Our exclusions cover £202bn assets under management (as at 31.12.2024) and in our 2024 update, we added two companies to our divestment list, taking the total to 16. In our 2024-2025 cycle update, we reinstated one company, meaning that the current divestment list contains 15 companies. The Climate Impact Pledge covers 82% of the total carbon emissions attributable to L&G Asset Management's corporate debt and equity holdings.
	(D) Sustainability Outcome #3:
(D) Sustainability Outcome #3:	Diversity
(1) Capital allocation activities used	
(2) Explain through an example	n/a
	(E) Sustainability Outcome #4:
(E) Sustainability Outcome #4:	The Living Wage
(1) Capital allocation activities used	
(2) Explain through an example	n/a
	(F) Sustainability Outcome #5:
(F) Sustainability Outcome #5:	Antimicrobial Resistance
(1) Capital allocation activities used	
(2) Explain through an example	N/A

	(G) Sustainability Outcome #6:
(G) Sustainability Outcome #6:	Nutrition
(1) Capital allocation activities used	
(2) Explain through an example	N/A

STEWARDSHIP WITH INVESTEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

	(A) Across all sustainability outcomes
(1) Describe your approach	We aim to drive long-term value creation by working with companies and policy stakeholders to create opportunities and take action to mitigate systemic risks. We believe effective stewardship involves working with companies, regulators, policymakers, peers, and other stakeholders around the world to tackle systemic risks. By doing this, we aim to help businesses address financially material issues and look to generate sustainable, long-term returns for our clients. L&G's Asset Management has a responsibility to undertake our stewardship activities in a transparent, accountable fashion. We continue to take public positions to raise awareness about systemic risks associated with our global themes, and to encourage companies and market stakeholders to act. We believe these themes are financially material to our clients' portfolios, often pose systemic risks and opportunities, and cover areas where we believe L&G as an asset manager can drive change. This means that our stewardship activity is undertaken with strategic outcomes in mind, aligning our thematic, company and public policy engagement, as well as our voting activity, in order to achieve these.
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings (3) Filing of shareholder resolutions or proposals
(3) Example	In 2024, we had 4,399 engagements with 3,447 companies, and voted on 141,998 individual resolutions at 10,572 companies. We co-filed six shareholder resolutions taking place at 2024 AGMs (at Nestlé, McDonald's, Target, Kroger, Walmart and Nippon Steel).

	(B) Sustainability Outcome #1:
(B) Sustainability Outcome #1:	COP26 Commitment on Eliminating Agricultural Commodity Driven Deforestation from Investment Portfolios
(1) Describe your approach	We expect investee companies to proactively analyse, assess and address deforestation and land conversion risks within their operations and supply chains, and to provide relevant disclosures. In line with our deforestation campaign, which we initiated in 2022, we will vote against companies in 'deforestation-critical' sectors that fall short of our deforestation minimum expectations. We expect companies in 'deforestation-critical' sectors with exposure to forest-risk commodities to have both: • A public deforestation policy; and • A programme of actions to deliver on that policy We also assess on a best-efforts basis how robust the policies and plans are, including whether there is a commitment to zero deforestation exposure; inclusion of targets related to deforestation management; and development and adoption of traceability systems.
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings
(3) Example	Continuing our deforestation campaign from 2023, we wrote to companies again in April 2024 to inform them of our deforestation assessment results and potential sanctions and to call on them for greater action, referencing our Deforestation Policy and the Accountability Framework as potentially useful guidance. Through our Climate Impact Pledge, we also engaged directly with several 'dial-mover' companies in sectors where deforestation is critical, such as apparel, food and forestry. We identified 119 companies for sanctions. We will vote against the re-election of the board chair, where possible, at companies lagging our minimum expectations. The highest proportion of companies was in the packaged foods and meats, food retail and restaurants sub-industries. China, the US and Japan had the highest proportion of companies subject to vote sanctions (18%, 14% and 13%, respectively). Through our Climate Impact Pledge in our 2024 update, we added TJX to our divestment list for its lack of a deforestation policy, among other climate concerns. We continue to engage with divested companies, seeking their improvement and eventual reintroduction into the relevant funds.
	(C) Sustainability Outcome #2:
(C) Sustainability Outcome #2:	NZAM AUM Commitment
(1) Describe your approach	Our Climate Impact Pledge includes a 'red line' expectation across sectors for companies to disclose their climate-related lobbying activities, including trade association memberships, and to explain the action they will take if the lobbying activities of these associations are not in line with the 2016 Paris Climate Agreement. This has been our primary objective with Nippon Steel. Nippon Steel is the largest steel maker in Japan and one of the biggest globally in terms of production. Traditional steelmaking processes are highly carbon intensive, and a shift to green steel will require a policy environment that supports a sufficient supply of low-carbon alternatives. Assessments undertaken by third-party data providers have demonstrated that Nippon Steel lags its peers on climate policy engagement disclosures.

(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings (3) Filing of shareholder resolutions or proposals
(3) Example	Since adding the climate lobbying red line to our Climate Impact Pledge, this has formed a key area of our engagement with Nippon Steel from 2022. The company failed to meet this criterion, so we made it the focus of the 2023-2024 engagement cycle. Given the significant role that Nippon Steel plays in influencing Japanese policy, as well as our intention to increase the focus on demand-side engagement, at the 2024 AGM we co-filed, together with the Australasian Centre for Corporate Responsibility (ACCR), a shareholder proposal asking the company to: “disclose annually, climate-related and decarbonisation-related policy positions and lobbying activities globally, including its own direct lobbying and industry association memberships, and review these for alignment with the company’s goal of carbon neutrality by 2050 and explain the actions it will take if these activities are determined to be misaligned.” Outcome: Our shareholder resolution (Resolution 8) achieved 27.98% support, sending a strong message to the company’s board that investors expect greater transparency on climate-related policy engagement activity. This was also one of the highest levels of support recorded for a climate-related shareholder resolution in Japan. 2024 was a pivotal year for Japan in the run-up to updating its key climate and energy policies. The results underscore the scale of investor attention on politically influential companies like Nippon Steel. We will continue engaging with the company, looking to the board to address investor concerns on this issue. **(D) Sustainability Outcome #3:**
(D) Sustainability Outcome #3:	Diversity
(1) Describe your approach	We have been engaging with companies on the topic of diversity since 2011 and have been actively voting on the issue since 2015. Our expectations continue to evolve over time as we respond to the changing landscape and progress of companies. Our Diversity Policy reiterates our commitment to push the companies in which we invest globally to: • Have women represent at least 40% of the board and executive leadership team • Have at least one person of ethnic minority background on the board • Clearly disclose diversity and inclusion policies and representation data • Disclose their gender and ethnicity pay gap information along with actions to close any stated gap Our policy also sets out the regional variations that we apply in terms of voting at companies around the world that do not meet our expectations – recognising the differences in demographics and societies. By setting out our expectations clearly, we aim to help companies understand where we seek improvement and any sanctions taken due to lack of progress.
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings

(3) Example

Globally, we voted against over 2,000 companies based on failing our minimum expectations in 2024. The vast majority of dissenting votes targeted the re-election of individual directors based on the company lacking female board members – our longest-standing diversity measure. During the year, we engaged with 32 companies on gender diversity; of these, eight were collaborative engagements with the 30% Club (UK, Germany and France chapters) and MIDI in the US.
Gender diversity in executive leadership teams - in 2022, we set out our policy to vote against FTSE 100 and S&P 500 companies with all-male executive leadership teams, and we followed up with a letter campaign and engagement programme.

At the end of 2023, refreshed data showed 87 companies as having all-male executive leadership teams, and after checks against a secondary data source, we wrote to 16 companies across the FTSE 100 and S&P 500 indices. We voted against 9 of these in 2024. We continue to engage with companies that we identified as not meeting our expectations in this area, and for the 2025 AGM season we expect to vote against a single FTSE 100 company and 17 S&P 500 companies if no improvements are evident by their upcoming AGMs.
Ethnic diversity on boards - Our initial focus was on ensuring that companies within the FTSE 100 and S&P 500 indices include at least one person from an ethnically diverse background.
We are broadening this over time because we believe that diversity of thought leads to better board discussions and decision-making. In 2024, we voted against two UK companies due to a lack of board-level ethnic diversity: Diploma and Howden Joinery Group; this compares to three companies voted against in 2023. Expansion of our ethnicity campaign: In 2023, we wrote to 49 FTSE 250 and 24 Russell 1000 companies that we considered did not meet our minimum expectations on ethnic diversity, which was to have at least one person from an ethnically diverse background on the board.
These companies were given until the end of 2024 to meet our expectations or face voting sanctions. We continued to engage with these companies in 2024, and, by the end of the year, we saw a 61% improvement, with 25 UK companies from the original list now meeting our minimum expectations
• At the end of 2024, of the 24 Russell 1000 companies we wrote to, four had left the index and nine have since appointed an ethnically-diverse board member – a 45% improvement.
• Going into the 2025 AGM season, three companies provided an explanation for not having an ethnically diverse board.
The 12 remaining UK companies and five new ones that entered the index will be subject to a vote against the board chair.
• In the Russell 1000 Index, 11 companies from the original target list will be subject to a vote against the nomination committee chair (or equivalent). However, changes in the index resulted in 15 additional companies emerging that do not have the requisite ethnically diverse board. Therefore, 26 US companies are expected to be subject to a vote sanction in 2025.

	(E) Sustainability Outcome #4:
(E) Sustainability Outcome #4:	The Living Wage
(1) Describe your approach	We believe that poverty and income inequality in the workplace are inextricably linked. The impact of income inequality and in-work poverty on workforce productivity, and the knock-on effect of low aggregate demand for goods and services relative to an economy's productive capacity, should be of significant concern to investors. Closing the living wage gap worldwide could potentially generate $4.56 trillion in GDP annually. Income inequality can take many forms, and we have focused our attention on addressing wages, more specifically, in ensuring workers earn a living wage. We engage on this important topic both directly and collaboratively with NGOs such as, ShareAction - Good Work Coalition; the Platform for Living Wage Financials, where we co-chair the food retail category; the Interfaith Center for Corporate Responsibility (ICCR) and Shareholder Commons (see below for our engagement and escalation through shareholder resolutions co-filed at three US retailers). We undertook more than 30 engagements on income inequality and the living wage during 2024. In the third quarter of 2023, we expanded our corporate engagement on income inequality. We launched our inaugural engagement campaign on this topic with specific vote sanctions against the re-election of the chair, the chair/CEO or president of companies that fail to meet our minimum expectations by the time of their 2025 AGM. We are targeting the food retail sector, as we believe these companies to be generally more resilient due to the community service they provide, financially less impacted by the COVID-19 pandemic than other sectors, and with a high proportion of their workforce earning low wages. We identified 15 supermarket retailers in developed economies as targets for engagement. We have chosen these companies because of their size and influence. . • North America: Costco, Kroger, Target and Walmart • UK: Sainsbury, Tesco • Europe: Ahold Delhaize, Carrefour, Casino, Metro • Japan: Aeon Co, Lawson, Seven & I • Australia: Coles, Woolworths
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings (3) Filing of shareholder resolutions or proposals
(3) Example	During 2024, we continued to engage with some of the largest companies across the food and retail sector as part of our income inequality campaign. This sector includes businesses with a high proportion of their workforce earning low wages, and it provides an essential community service. In addition to our direct engagements with companies under this campaign, to raise the profile of the topic at three US retailers, we worked with Shareholder Commons to bring shareholder resolutions at Kroger, Target and Walmart.

	To take Walmart as an example, we have been engaging with Walmart over several years. It is one of 15 global food retailers that the Investment Stewardship team has specifically targeted for engagement, asking the company to set out a policy and time-bound plan to pay employees within its operations a living wage, and work with its suppliers to ensure the same. Walmart's policies on the living wage are also assessed by the Platform for Living Wage Financials (PLWF) and are rated as 'embryonic' – the lowest category under its assessment. We co-filed a shareholder resolution at Walmart's June 2024 AGM that asked the board and management to "exercise their discretion to establish company wage policies that are consistent with fiduciary duties and reasonably designed to provide workers with the minimum earnings necessary to meet a family's basic needs..." (Resolution 7). We also highlighted our vote on our pre-declaration blog. Despite the flexible drafting of the resolution, proxy adviser ISS recommended voting against the approval of this proposal, as what was being asked did not yet represent industry standards in the US. Only 4.4% of shareholders voted to support the resolution (a further 0.5% abstained). We acknowledge the low support of this resolution in light of the company's shareholder structure. We will review our approach and continue to engage with Walmart as part of our campaign.
	(F) Sustainability Outcome #5:
(F) Sustainability Outcome #5:	Antimicrobial Resistance
(1) Describe your approach	We believe there is a strong link between social health and economic health. Every year, poor health costs approximately 15% of global GDP in the form of premature deaths and the lost productivity potential of workers. The health-related, but often hidden, costs of the global food system, relating to the impacts of obesity and undernutrition, pollution, pesticides and antimicrobial resistance, are estimated to amount to $6.6 trillion and, we believe, ultimately affect the long-term returns of our clients' assets. At the beginning of 2024, we published our inaugural Health Policy. We set out our approach to how we as investors aim to use our influence to mitigate risks in these important areas, including the sectors we focus on and the stakeholders with whom we seek to engage. We have identified AMR and nutrition as two key areas of health which we deem as systemic risks; therefore we have initially prioritised these two areas as 'sub-themes' within our overall 'Health' theme. This does not prevent us from considering other areas that impact human health that may also raise systemic risks, and that may potentially have a negative effect on our clients' assets.
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings (3) Filing of shareholder resolutions or proposals
(3) Example	We co-filed a shareholder resolution at the company in 2023, under the umbrella of the Shareholder Commons, asking McDonald's to comply with World Health Organization (WHO) guidelines on the use of medically important antimicrobials in food-producing animals throughout its supply chain. The resolution sought adherence to the WHO guidelines throughout the full supply chain, including beef, chicken and pork. This resolution gained 18% support from shareholders.

	Following a lack of action by McDonald's, we co-filed the same resolution in their 2024 AGM, together with our industry peer Amundi and The Shareholder Commons. However, our 2024 resolution was subject to a 'no-action' ruling by the SEC, a mechanism by which the company is allowed to unilaterally remove proposals from its proxy statement if they are judged to have already substantially implemented the resolution demand. We were disappointed by both the step taken and the decision announced, as we believe that McDonald's should be adhering to the WHO Guidelines on use of antibiotics across all the meat that they produce, not just certain types of meat. The Benedictine Sisters of Boerne, Texas, successfully filed their AMR-related resolution calling upon the company to adopt an enterprise-wise policy to phase out the use of medically important antibiotics for disease prevention purposes in its beef and pork supply chains. We voted in favour of this resolution, which received 15% votes in favour. We have broadened our collaborative engagement by joining FAIRR's collaborative investor engagement on Antibiotic Use in the Quick-Service Restaurant Sector in North America. This engagement stream covers fast-food restaurant companies, including McDonald's, Yum! Brands* (owner of KFC and Pizza Hut), and Restaurant Brands International* (owner of Burger King). By working with like-minded peers and stakeholders, we aim to broaden our engagement on the issue of antimicrobial resistance with companies that, we believe, could have a substantial effect in mitigating AMR by changing their supply chain practices. We continue to exercise our votes on AMR-related shareholder resolutions in line with our Health Policy.
	(G) Sustainability Outcome #6:
(G) Sustainability Outcome #6:	Nutrition
(1) Describe your approach	Nutrition continues to be an important topic for investors because it can have a significant impact on the health and wellbeing of individuals, communities, and societies. Poor diets generate more disease worldwide than physical inactivity, alcohol and smoking combined. There is a clear link between poor diets/ malnutrition and chronic health conditions, such as obesity, heart disease and diabetes (non-communicable diseases). These conditions can in turn lead to increased healthcare costs and decreased productivity, both of which will have negative impacts on the economy. Our approach and expectations are set out in our Health Policy.
(2) Stewardship tools or activities used	(1) Engagement (3) Filing of shareholder resolutions or proposals
(3) Example	Nestlé is one of the world's largest food producers, owning over 2,000 brands and selling its products in nearly 200 countries. Therefore, we believe that the company's behaviour and decisions on the sale and marketing of food products is influential in setting the tone of the industry worldwide. Relating to nutrition, risks to food and beverage companies include, but are not limited to, reputational, litigation and regulatory risks. Several governments around the world have implemented, or are considering implementing, regulation related to front-of-pack food labelling, advertising of unhealthy food products, taxation and more. This potentially presents a material risk for investors with holdings in global food and beverage manufacturers, as companies with a product portfolio including a substantial proportion of foods that are high in fat, salt and sugar could see negative impacts from increasing regulation.

We have engaged with Nestlé over the past few years via ATNI and ShareAction's Healthy Markets Initiative. We have asked, amongst other things, that the company applies a government-endorsed nutrient profiling model (NPM) and that it sets targets to increase the sale of products that are deemed healthy by a government endorsed NPM. Nestlé announced in November 2022 that it would benchmark its entire portfolio against the Health Star Rating (HSR) and in September 2023 it announced that it aims "to grow the sales of their more nutritious products by CHF20-25 billion by 2030. This represents about 50% growth over 2022 sales." The target set by Nestlé applies to its products with HSR 3.5 stars or more, together with its specialised nutrition products, including baby foods, vitamin- and mineral supplements and medical nutrition. These already account for close to 60% of the company's food and beverage sales. While we acknowledge that a target has been set, we are disappointed with the scope of the target; the inclusion of baby foods, supplements and medical nutrition means that the target could be met without increasing sales of healthier foods or improving the nutritional value of its food products that have a HSR of 3.5 or more. In 2023, we announced that we were co-filing a shareholder resolution at Nestlé's (ESG score: 63; +1) April 2024 AGM under the umbrella of ShareAction's Healthy Markets Initiative. We asked the company to publish more effective targets for increasing healthier food choices. We noted our vote in our pre-declaration blog. The resolution received support from approximately 11% of shareholders, which was lower than what we had hoped for. We have continued to engage positively with the company on nutrition, together with other investors in the Healthy Markets Initiative, and met its newly appointed CEO in December. We were pleased with the frank discussions and positive exchange of ideas during our meeting, and we are pleased to see the company's recent announcements regarding planned improvements to their nutrition reporting in 2025.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

☑ **(A) We prioritise the most strategically important companies in our portfolio.**

Describe how you do this:

Taking our Climate Impact Pledge as an example, we select c.100 'dial mover' companies, which are chosen for their size and potential to galvanise action in their sectors. Our Investment Stewardship team analyses each company in depth using public information, based on the framework set out in our net-zero sector guidelines that are published on our website.

Select from the list:

◉ **1**

○ 4

☑ **(B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.**

Describe how you do this:

We believe these themes are financially material to our clients' portfolios, often pose systemic risks and opportunities, and cover areas where we believe L&G as an asset manager can influence change. This means that our stewardship activity is undertaken with strategic outcomes in mind, aligning our thematic, company and public. Using our stewardship themes, we identify relevant stakeholders across the policymaking, corporate and broader market ecosystem, where we believe we have influence. We also set the overall thematic objectives we seek to achieve. In selecting companies for engagement, we take into account factors including:

• The degree of financial materiality of the relevant theme (or sub-theme) to specific companies and sectors
• Data that identifies companies as underperforming against our minimum expectations
• Our clients' exposure to relevant companies and sectors

• The ‘engage-ability’ of companies – how likely our influence is to result in changes at the company
• How influential a company is within its country, industry and supply chains – we may also seek engagements with companies considered leaders in sustainability issues to help develop our understanding of these topics in certain industries or markets
• The relevant geographic coverage for our engagement on a particular theme While much of our engagement is focused on ‘laggards’, we also engage with companies that are demonstrating progress and positive practices; through their continued improvement and influence, we believe that they are instrumental in raising the bar for their sectors and supply chains, demonstrating what is achievable. Our aim is to help drive positive change across global markets, and improvements from the ‘top’ performers play as important a role as those at the other end of the spectrum.

Select from the list:

◉ **2**
○ 4

☑ **(C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.**

Describe how you do this:

For example, signatories may engage with companies that cover at least 65% of financed emissions in their portfolio or with 100% of portfolio companies operating in conflict and high-risk areas.

Select from the list:

◉ **3**
○ 4

☐ (D) Other

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, how did your organisation use engagement with policy makers to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

	(A) Across all sustainability outcomes
(1) Describe your approach	We determine where we could use our influence effectively across the policymaking and regulatory environment to create well-functioning markets. Our engagement with policymakers is vital to our aim of raising global standards across the markets in which our clients invest, because, in our opinion, many sustainability challenges require systemic policy reform. As a major long-term investor with global coverage, we engage with policymakers at an early stage to help them identify and address emerging risks, so they can look to take transformative steps to tackle systemic market issues and accelerate progress against complex global sustainability challenges. Our policy dialogue aims to produce tangible change by contributing to the design, implementation, and monitoring of effective and coherent policies, including a regulatory and legislative system that covers society, the environment, and the economy. We engage with a broad range of stakeholders across the entire global policy ecosystem.
(2) Engagement tools or activities used	(1) We participated in 'sign-on' letters (2) We responded to policy consultations (3) We provided technical input via government- or regulator-backed working groups (4) We engaged policy makers on our own initiative
(3) Example(s) of policies engaged on	In 2024, we were involved in the ongoing negotiations on the Global Plastics Treaty (GPT), including engaging with the UK government and the chair of the Intergovernmental Negotiating Committee. We strongly support an ambitious and legally binding GPT, including full lifecycle plastics across the value chain, and we have publicly backed an ambitious agreement. We also took part in a multistakeholder dialogue with the UK government, the chair of the negotiating committee, businesses and other investors. As part of Planet Tracker's collective statement we joined 70 investors representing nearly $7 trillion in calling on petrochemical companies to eliminate hazardous chemicals and reduce their dependency on fossil fuels. Roundtable discussions considered key elements that need to be included in the treaty text, focusing on the global rules and financing necessary to address plastic pollution. Businesses and investors involved signed an accompanying statement calling for a strong and effective treaty. The statement sends a clear message of our support for an ambitious agreement.

	(B) Sustainability Outcome #1:
(B) Sustainability Outcome #1:	COP26 Commitment on Eliminating Agricultural Commodity Driven Deforestation from Investment Portfolios
(1) Describe your approach	Deforestation is a key factor affecting land-use change, one of the direct drivers of biodiversity loss on land. Halting deforestation is a crucial part of protecting and restoring nature and combating climate change, two systemic risks for the global economy, with significant implications for our clients' assets if left unaddressed.
(2) Engagement tools or activities used	(1) We participated in 'sign-on' letters
(3) Example(s) of policies engaged on	We are members of the Investor Policy Dialogue on Deforestation (IPDD) collaboration, which is supported by over 80 financial institutions from over 20 countries representing roughly $10 trillion in assets. The IPDD's goal is to stop deforestation in some of the most biodiverse and globally significant locations for nature in the world, by engaging with a range of stakeholders, including government authorities and associations, industry, and trade bodies. European Union: In November 2024, the IPDD issued a statement highlighting investor support for the European Union's (EU) Deforestation Regulation that came into effect in 2023. We were encouraged to see that the Level 1 text wasn't opened for significant renegotiation. With the decision to limit the delay to 12 months, we continue to encourage the European Commission to use this period effectively, ensuring that systems and guidance are in place to give clarity and certainty to all stakeholders – corporates and investors. Brazil: Alongside 15 other signatories with collective assets of over $4 trillion, we co-signed a letter to the Brazilian government in support of the ratification of the Escazú Agreement, which would strengthen sustainable development and help improve transparency and access to information about civil rights and environmental issues.
	(C) Sustainability Outcome #2:
(C) Sustainability Outcome #2:	NZAM AUM Commitment
(1) Describe your approach	2024 was a pivotal year for climate policy in Japan, as the changes made to Japan's Strategic Energy Plan will shape the country's future trajectory towards net zero. Having built on our previous engagements with various regulators and members of parliament, our increased participation this year, both on policy engagement (including our work with the JCLP and AIGCC) and on the corporate side (e.g. our shareholder resolution at Nippon Steel), has sought to use our influence as an asset manager to help shape the journey towards net zero.
(2) Engagement tools or activities used	(2) We responded to policy consultations (3) We provided technical input via government- or regulator-backed working groups

(3) Example(s) of policies engaged on	We are active associate members of the Japan Climate Leaders' Partnership (JCLP), a collaboration bringing together 252 businesses from a range of sectors to research and form policy recommendations on climate change, which are then brought to the Japanese government. The JCLP supports the 'early realisation of a decarbonised society'. We contributed to the formation of the JCLP's policy statement on Japan's Nationally Determined Contribution (NDC) and 7th Basic Energy Plan, released in early July and subsequently updated (only available in Japanese) in November 2024. The statement makes three core proposals: i) At least a 75% reduction in GHG emissions by 2035 (compared to 2013 levels) ii) Renewable energy to account for at least 60% of the electricity mix by 2035 iii) Improved policymaking process by increasing participation opportunities for demand-side actors We also attended a meeting with the Bipartisan Group for Realizing Carbon Neutrality (a cross-party group composed of members from both the ruling and opposition parties in Japan's Diet) and held meetings with other relevant ministries (Ministry of Economy, Trade and Industry (METI), Ministry of Environment (MOE), and the Ministry of Foreign Affairs).
	(D) Sustainability Outcome #3:
(D) Sustainability Outcome #3:	Diversity
(1) Describe your approach	While the diversity of Japanese boards is improving, engaging on this issue continues to be a stewardship priority for us. We started voting against the Chair of the nomination committee or most senior member of the board for Japanese companies with all-male boards in 2020, initially voting against ten companies in the TOPIX 100. We also firmly believe in the value of collaborative engagements with regulators, which enable us to tackle systemic issues at the policy level.
(2) Engagement tools or activities used	(3) We provided technical input via government- or regulator-backed working groups
(3) Example(s) of policies engaged on	As a member of the Asian Corporate Governance Association ('ACGA'), we attended a delegation in late September 2024 in Japan at which, amongst other topics, diversity was an area of focus with the Cabinet Office Gender Bureau Department and the Tokyo Stock Exchange ('TSE'). Subsequently in the fourth quarter, we were pleased to be named in an open letter to regulators, sent specifically to the TSE, Japan FSA, METI, the Cabinet Office, and the Keidanren (the Japanese Business Federation). In the letter, L&G specifically called out the sections providing recommendations on strategic shareholdings, timely provision of information during AGM season, board effectiveness, diversity targets, and board structure.
	(E) Sustainability Outcome #4:
(E) Sustainability Outcome #4:	The Living Wage
(1) Describe your approach	
(2) Engagement tools or activities used	

(3) Example(s) of policies engaged on	
	(F) Sustainability Outcome #5:
(F) Sustainability Outcome #5:	Antimicrobial Resistance
(1) Describe your approach	In comparison to some of our other strategic stewardship themes, AMR is at a more nascent stage. This means that a significant part of our focus is dedicated to raising awareness with national and global institutions that can take the necessary steps to mitigate the systemic risk posed by AMR.
(2) Engagement tools or activities used	(3) We provided technical input via government- or regulator-backed working groups
(3) Example(s) of policies engaged on	Along with FAIRR, we were invited to participate in and present at the UK-Northern Europe AMR Workshop organised by the UK Science Innovation Network at the UK Embassy in Stockholm. Government representatives from Sweden, Finland, Norway, Denmark, Latvia, Estonia and The Netherlands participated, as well as representatives from GSK, Pfizer, Novo Nordisk Foundation, Trill Impact, ReAct, Pharmadanmark, Innovate UK, ARMoR and the World Bank. Dame Sally Davies, UK Special Envoy on AMR, and Otto Cars, Professor and Founder of ReAct, chaired sessions.
	(G) Sustainability Outcome #6:
(G) Sustainability Outcome #6:	Nutrition
(1) Describe your approach	
(2) Engagement tools or activities used	
(3) Example(s) of policies engaged on	

STEWARDSHIP: ENGAGEMENT WITH OTHER KEY STAKEHOLDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with other key stakeholders	2, 5

Does your organisation engage with other key stakeholders to support the development of financial products, services, research, and/or data aligned with global sustainability goals and thresholds?

	(A) Across all sustainability outcomes
(1) Key stakeholders engaged	(1) Standard setters (2) Reporting bodies (3) Stock exchanges (4) Credit rating agencies (6) External service providers (e.g. proxy advisers, investment consultants, data providers) (8) NGOs (9) Other key stakeholders
(2) Provide further detail on your engagement	We believe in collaboration and work with peers, industry groups, non-governmental organisations (NGOs), academia, and civil society. We look forward to continuing our engagement with a broad range of third parties. We are a member or supporter of multiple associations and initiatives working on sustainability themes.
	(B) Sustainability Outcome #1:
(B) Sustainability Outcome #1:	COP26 Commitment on Eliminating Agricultural Commodity Driven Deforestation from Investment Portfolios
(1) Key stakeholders engaged	(6) External service providers (e.g. proxy advisers, investment consultants, data providers) (9) Other key stakeholders
(2) Provide further detail on your engagement	Since 2022, we have participated in Finance Sector Deforestation Action (FSDA), an investor-led initiative representing more than 30 financial institutions that have committed to using best efforts to end commodity-driven deforestation in their investment and lending portfolios. We engage with a key set of companies as a lead and supporting investor and are part of the investor strategic working group. In June 2024, the FSDA released its updated progress report, and in September published investor expectations on deforestation for commercial and investment banks, for which we provided input.

	(C) Sustainability Outcome #2:
(C) Sustainability Outcome #2:	NZAM AUM Commitment
(1) Key stakeholders engaged	(1) Standard setters
(2) Provide further detail on your engagement	Since 2021, we have worked in partnership with the Environmental Defense Fund (EDF), a US-based NGO that cooperates with businesses to find market-based solutions to climate issues. Our collaboration with the EDF has been focused on transferred emissions and methane emissions, which have more than 80 times the warming power of carbon dioxide over a 20-year period, making reduction crucial to achieving climate-change goals. We believe that reducing methane emissions can be a powerful and cost-effective way for oil and gas companies to make progress towards climate goals and manage regulatory and reputational scrutiny. We also believe in the importance of collaborative work on this front, working through the EDF with like-minded peers to urge oil and gas companies to be more transparent about the actions they are taking to measure and reduce methane emissions. In 2024, the EDF helped facilitate engagement opportunities to uphold strong methane regulations in Canada and advocate support for climate disclosure regulations in the US. Building on the momentum across global jurisdictions to increase standards on methane emissions monitoring and reporting in recent years, the Canadian government's environmental agency, Environment and Climate Change Canada (ECCC), released its draft methane emissions standards rules at the end of 2023. Our US business signed a joint letter with other North American investors in January 2024, sent to the Minister of Environment and Climate Change, to support and strengthen the ECCC's draft methane emissions standard rules. While we supported the government's initial steps, we agreed that swift implementation, narrower exceptions, and broader compliance would help reduce methane emissions and limit the effects of climate change, thereby also helping us as investors to limit the impact of climate change on our portfolios. As of December 2024, the ECCC's proposed methane regulations had not yet been finalised. Given the resignation of Canada's prime minister at the beginning of 2025, the outcome of these regulations are not likely to be published until after federal elections are held.
	(D) Sustainability Outcome #3:
(D) Sustainability Outcome #3:	Diversity
(1) Key stakeholders engaged	(3) Stock exchanges

(2) Provide further detail on your engagement	In June 2024, HKEX (Hong Kong Exchange and Clearing Ltd) published a consultation paper on corporate governance code enhancements. Key proposals included improvement of board effectiveness, strengthening board independence, promoting diversity, enhancing risk management and internal control, and enhancing capital management disclosure. Through our membership of the Asian Corporate Governance Association (ACGA), LGIM participated in this consultation. Our key contributions included: • 'Over boarding': a maximum of four or five directorships, and counting the role of chair or CEO as two directorships given the extra complexity, oversight, and time commitment it entails29 • Director training: that training is more formal and structured. An additional way for directors to develop relevant competencies and awareness is to meet regularly with investors to gain fresh knowledge and different perspectives • Board diversity: a 30% target would strengthen board diversity expectations in line with LGIM's diversity policy • Board evaluation: that external evaluations be conducted by independent third parties on the board, board committees, and individual directors We believe that responding to such consultations is an important mechanism for feeding into the improvement of corporate governance standards around the world.
	(E) Sustainability Outcome #4:
(E) Sustainability Outcome #4:	The Living Wage
(1) Key stakeholders engaged	(8) NGOs (9) Other key stakeholders
(2) Provide further detail on your engagement	Collaborative engagement work in 2024: • ShareAction - Good Work Coalition – During the year we engaged with five UK companies, Curry's, Kingfisher, Ocado, Marks & Spencer and Next, to encourage them to offer a real living wage, as defined by the Living Wage Foundation, to their own employees and third-party contracted staff who operate within their premises. We also encouraged them to become an accredited living wage employer. Of these companies, Kingfisher, Ocado and M&S are already paying their directly employed workers a real living wage. Kingfisher noted improvements in staff retention and employee scores following an increase to pay and training. • Interfaith Center on Corporate Responsibility (ICCR) – We engaged with Dollar General, Hilton Worldwide and O'Reilly Automotive to discuss their pay policies and encourage them to pay a living wage. None of these companies appeared to view this an important consideration, as their policy is to remain competitive and focus on other benefits, such as training and rapid promotions to drive employees towards higher wages. • Platform for Living Wage Financials – The focus of the group is on the garment and food agriculture and retail sectors and we co-chair the food retail segment. We held meetings with a number of companies during the year to discuss their policies on ensuring their own employees and workers within their supply chains earn a living wage. At the end of the assessment year, the platform produced a report and held its annual conference in the Netherlands, where we presented the findings of the food retail group assessments.

	(F) Sustainability Outcome #5:	
(F) Sustainability Outcome #5:	Antimicrobial Resistance	
(1) Key stakeholders engaged		(1) Standard setters (8) NGOs (9) Other key stakeholders
(2) Provide further detail on your engagement	UN General Assembly in New York: Through the Investor Action on AMR we called on government officials and policymakers to take concrete steps to mitigate AMR at the UN General Assembly's (UNGA) second High-Level Meeting on antimicrobial resistance, which took place in September 2024. We view the UNGA declaration as a positive step forward and welcome the establishment of an independent scientific panel by 2025. However, we were disappointed that the target of a 30% reduction of antimicrobials used in livestock was diluted in the final declaration to a 'meaningful reduction'. AMR in the Middle East: Following the UNGA declaration, November saw a flurry of AMR policy activity. We were delighted to be invited to speak at the fourth Global High-Level Ministerial Conference on AMR in Jeddah, Saudi Arabia. There, we discussed The Future Economic Impact of AMR & Sustainable Financing Initiatives in Containing AMR for the Health of our Ecosystem. Other attendees included representatives from the Ministry of Health, the Kingdom of Saudi Arabia, the AMR Action Fund, CARB-X, the World Bank and the Center for Global Development. AMR online: annual World AMR Awareness Week: We were invited to speak alongside representatives from the World Health Organization (WHO), Sandoz and mPharma on a webinar organised by the Access to Medicine Foundation (ATMF) and WHO on Mobilising Pharma to Act on the AMR Political Declaration.	
	(G) Sustainability Outcome #6:	
(G) Sustainability Outcome #6:	Nutrition	
(1) Key stakeholders engaged		
(2) Provide further detail on your engagement		

STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

	(A) Initiative #1
(1) Name of the initiative	CA100+
(2) Indicate how your organisation contributed to this collaborative initiative	(A) We were a lead investor in one or more focus entities (e.g. investee companies)
(3) Provide further detail on your participation in this collaborative initiative	As one of the largest integrated oil & gas producers in the world, BP has a significant role to play in the global transition to net zero, hence our focus on this company for in-depth engagements. As members of the Climate Action 100+ (CA100+) we commit to engaging with a certain number of companies on their focus list; on account of our strong relationship with BP, we co-lead the CA100+ engagements with them and meet with them frequently both collaboratively and individually. We value the significant steps BP has taken in recent years regarding its climate-related commitments and efforts, which we have supported through extensive and constructive dialogues, aimed at creating long-term value as the climate transition unfolds. However, we are deeply concerned by the recent substantive revisions made to the company's strategy as announced at the 2025 Capital Markets Day on 26 February, coupled with the decision not to allow a shareholder vote on the newly amended climate transition strategy at the 2025 AGM. We also note similar concerns that led us to vote against the re-election of Helge Lund as the company's chair at the 2023 AGM, due to governance and accountability issues. We viewed the recent announcement of Helge Lund's intention to step down as chair positively; however, we expect the succession process to follow a clearer and swifter timeframe than that currently posited by the company, to ensure an orderly and meaningful transition. In 2025, we therefore voted against the re-election of the Chair at BP's AGM and pre-declared our vote. We will continue to engage with BP on climate change, strategy and related governance topics, both individually and as part of CA100+.
	(B) Initiative #2
(1) Name of the initiative	Access To Nutrition Initiative
(2) Indicate how your organisation contributed to this collaborative initiative	(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)

(3) Provide further detail on your participation in this collaborative initiative	We are members of the Access to Nutrition initiative (ATNi) which, via its Global Index, assesses how the world's food and beverage manufacturers seek to address malnutrition in all its forms. The Index ranks companies on governance and management; the production and distribution of healthy, affordable, accessible products; and how they influence consumer choices and behaviour. During 2022 to late 2023, we, together with Achmea Investment Management, co-led the engagement with Grupo Bimbo under the auspices of ATNi.135 Grupo Bimbo is a Mexican multinational and one of the 30 largest food and beverage companies globally assessed by ATNi. The company produces and sells bakery products and operates in the Americas and Europe. In our engagements with the company, we flagged that it was not reporting against an independently developed and governed nutrient profiling model (NPM), such as the Health Star Rating (HSR) or NutriScore, but rather used its own internal NPM. We also noted that the company was not reporting the percentage of sales attributable to healthy products as defined by an NPM. We were pleased to note that the company is now using HSR, that it is reporting that percentage of sales and it is undertaking a third-party audit of the nutrition aspects in its annual report. In ATNi's recent Global Index, published in November 2024, Grupo Bimbo's score had increased from 4.2 to 5.4 and moved from the 9th ranking to 4th.
	(C) Initiative #3
(1) Name of the initiative	ShareAction's Chemical Decarbonisation Investor Coalition
(2) Indicate how your organisation contributed to this collaborative initiative	(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)
(3) Provide further detail on your participation in this collaborative initiative	We have been a member of ShareAction's Chemical Decarbonisation Investor Coalition since 2021, a collaboration aiming to engage with 13 leading European chemical companies, to encourage them to align their decarbonisation strategies with the goal of limiting global warming to 1.5°C. The chemicals sector is responsible for over 6% of global GHG emissions59 and is crucial to a multitude of manufactured goods and industrial processes with 95% of manufactured products relying on this sector. The collaborative engagement has been focused on the following objectives:

	1. Set out plans over the short, medium and long term, with time-bound targets, to: b. increase energy consumption from renewable energy sources c. transition to emissions-neutral feedstocks d. phase-out woody biomass from energy generation a. phase-in electrified chemical production processes 2. Set scope 3 targets that are aligned with 1.5°C (covering all relevant upstream and downstream emissions) 3. Explicitly commit to align capital expenditure plans with the objective of limiting global warming to 1.5°C; and to disclose future capital spending on new and existing assets Engagement has been through a combination of letters outlining key requests from the coalition (which we have co-signed over the years), followed by direct meetings with selected companies. As part of this coalition, we have also provided a joint submission to the SBTi on its consultation for draft guidance for the chemicals industry, contributing to the development of the Chemicals Sector Target-Setting Criteria. Engagement focus: Yara International: Yara International produces and sells fertilizers. The production and use of nitrogen fertilizers leads to the release of some of the most potent greenhouse gases, with emissions linked to fertilizer production accounting for over 1% of global energy-related carbon emissions. Following a three-year engagement, in December 2024 we met (as part of the coalition) with Yara's CEO for the first time to discuss its transition plan and capex strategy. This engagement was in response to a shareholder resolution at its 2024 AGM filed by ShareAction and four coalition investors, which we voted in favour of. The resolution received strong support with 17% of non-state investors voting for it and a further 8% abstaining. The objective of the engagement was to continue dialogue with the company to include ambitious scope 3 targets and strong implementation plans in its upcoming climate transition plan, due to be published in 2025. The aim was to clearly convey the coalition's expectations to Yara's leading executive during a pivotal period of planning. In terms of next steps, we will monitor Yara's progress and analyse its transition plan. This will determine the future direction and objectives of our engagement.
	(D) Initiative #4
(1) Name of the initiative	Nature Action 100
(2) Indicate how your organisation contributed to this collaborative initiative	(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)
(3) Provide further detail on your participation in this collaborative initiative	We are a member of Nature Action 100 (NA100). NA100 is a global investor initiative co-led by Ceres and the IIGCC. Focused on corporate engagement, NA100 aims to encourage greater corporate ambition and action on nature and biodiversity loss, by setting a common agenda and offering a clear set of expectations for companies. More than 230 institutional investor participants – representing over $30 trillion in assets under management or advice – have joined NA100 and will be participating in direct engagement with 100 companies through the initiative. We are working collaboratively with other investors to dive into the detail of the NA100 expectations for each company, to better understand how these apply in context and what challenges exist to making meaningful progress. We hope to positively influence companies' impact assessments and risk management practices. We are focusing our engagement on one company in the pharmaceuticals and agritech sector – Bayer AG– acknowledging the complexities inherent in needing to transform the global food system to one that is more resilient, productive, and sustainable.

In 2024, we met with Bayer five times in the last 12 months, both collaboratively as part of NA100 and separately on broader topics. The dialogue has been constructive, and output has been valuable in informing the NA100 assessment processes across all its engagement targets. We are looking forward to diving further into the detail of specific objectives and expectations that the investor group has beyond the NA100 benchmark criteria through 2025.

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

☑ **(A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion**
☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
☑ **(C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report**
☐ (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
☑ **(E) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI**
○ (F) We did not verify the information submitted in our PRI report this reporting year

THIRD-PARTY EXTERNAL ASSURANCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 2	CORE	OO 21, CBM 1	N/A	PUBLIC	Third-party external assurance	6

For which responsible investment processes and/or data did your organisation conduct third-party external assurance?

☐ (A) Policy, governance and strategy
☑ **(C) Listed equity**
Select from dropdown list:
- ○ (1) Data assured
- ◉ **(2) Processes assured**
- ○ (3) Processes and data assured

☑ **(D) Fixed income**
Select from dropdown list:
- ○ (1) Data assured
- ◉ **(2) Processes assured**
- ○ (3) Processes and data assured

☑ **(F) Real estate**
Select from dropdown list:
- ○ (1) Data assured
- ○ (2) Processes assured
- ◉ **(3) Processes and data assured**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 3	PLUS	CBM 1	N/A	PUBLIC	Third-party external assurance	6

Provide details of the third-party external assurance process regarding the information submitted in your PRI report.

(1) Description of the third-party external assurance process

The scope 1, 2 and 3 emissions associated with our real estate equity assets received independent limited third party assurance from Deloitte for the 2024 reporting year. Full details of this audit can be found in the attachment (p52 & 53).

(2) Assurance standard(s) used by the third-party assurance provider
☐ (A) PAS 7341:2020
☑ **(B) ISAE 3000 and national standards based on this**
☐ (C) Dutch Standard 3810N (Assurance engagements regarding sustainability reports)
☐ (D) RevR6 (Assurance of Sustainability)
☐ (E) IDW AsS 821 (Assurance Standard for the Audit or Review of Reports on Sustainability Issues)
☐ (F) Accountability AA1000 Assurance Standard (AA1000AS)
☐ (G) IFC performance standards
☐ (H) SSAE 18 and SOC 1
☐ (I) Other national auditing/assurance standard with guidance on sustainability; specify:
☐ (J) Invest Europe Handbook of Professional Standards
☐ (K) ISAE 3402 Assurance Reports on Controls at a Service Organisation
☐ (L) AAF 01/20
☐ (M) AAF 01/06 Stewardship Supplement
☐ (N) ISO 26000 Social Responsibility
☐ (O) ISO 14065:2020 General principles and requirements for bodies validating and verifying environmental information
☐ (P) ASAE 3410 Assurance Engagements on Greenhouse Gas Statements
☐ (Q) PCAF
☐ (R) NGER audit framework (National Greenhouse and Energy Reporting)
☐ (S) Auditor's proprietary assurance framework for assuring RI-related information
☐ (T) Other greenhouse gas emissions assurance standard; specify:
(3) Third-party external assurance provider's report that contains the assurance conclusion

https://group.legalandgeneral.com/media/1axftm2t/l-g-climate-and-nature-report-2024.pdf

INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

What responsible investment processes and/or data were audited through your internal audit function?

☑ **(A) Policy, governance and strategy**
Select from dropdown list:
○ (1) Data internally audited
◉ **(2) Processes internally audited**
○ (3) Processes and data internally audited
☑ **(C) Listed equity**
Select from dropdown list:

○ (1) Data internally audited
◉ **(2) Processes internally audited**
○ (3) Processes and data internally audited

☑ **(D) Fixed income**
Select from dropdown list:
○ (1) Data internally audited
◉ **(2) Processes internally audited**
○ (3) Processes and data internally audited

☑ **(F) Real estate**
Select from dropdown list:
○ (1) Data internally audited
◉ **(2) Processes internally audited**
○ (3) Processes and data internally audited

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

☐ (A) Board, trustees, or equivalent
☑ **(B) Senior executive-level staff, investment committee, head of department, or equivalent**
Sections of PRI report reviewed
◉ **(1) the entire report**
○ (2) selected sections of the report
○ (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year