



## **PUBLIC TRANSPARENCY REPORT**

**2024**

**Insight Investment**

Generated 25-11-2024

# 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 2024 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 2024 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

### SENIOR LEADERSHIP STATEMENT

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?

At the heart of our investment philosophy is a desire to offer clients innovative yet practical solutions. To achieve this, we combine expertise, strength, and depth of knowledge, with innovation across a broad range of asset classes and across the risk/return spectrum to provide our clients with flexibility to deliver tailored client solutions.

A team-oriented approach is the lynchpin of our business and means that we can use the in-house expertise of high calibre professionals at any time. Our investment professionals are specialists in their fields, meaning we have the right people doing the right jobs for our clients.

We believe integrating ESG issues into relevant investment processes, and in dialogue with issuers and other stakeholders, can support better investment decisions in relevant asset classes and strategies, and can ultimately help our clients achieve their desired outcomes.

This means that at Insight, a responsible investment approach is essential, though the extent to which ESG integration is possible, and the relevance and materiality of ESG risks, can vary significantly according to asset class and strategy, as further described below. On a corporate level, our philosophy and approach towards responsible investment places an emphasis on the integration of responsible investment and stewardship principles within investment decision making processes, where it is practical and relevant to do so.

As to the major responsible investment commitments we have made, we are signatories to the Net Zero Asset Managers initiative and UK Stewardship Code and aim to adhere to the high standards set by both initiatives. We also think it is important that the industry moves forward in terms of the quality and depth of research in this space and, in 2023, we were pleased to announce a new research prize for greening finance, established with Oxford University via an endowment from Insight.

#### 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

Initiatives in 2023 reflect how responsible investment has guided our operations as a business and investment manager. Notably we have:

- Revised our Stewardship Policy to describe the scope of our stewardship activity, our approach to stewardship, and how we engage with issuers and on systemic issues.
- Implemented a new engagement escalation process to enable effective monitoring of progress against ESG engagement objectives. Where we see a lack of progress for financially material objectives, we may choose to progress the issuer through a series of stages which set out prescribed actions for escalation.
- Updated our approaches to ESG integration and engagement in key product areas to ensure targeted improvement in line with our clients' expectations. These included enhancements to our approaches in asset-backed securities (ABS) and secured finance assets, US municipal bonds, and select systematic fixed income strategies.
- Actively engaged on major issues with direct relevance to our clients, with policymakers, peers and other stakeholders, often achieving clear results, on topics such as climate change and the future of UK defined benefit pension funds.
- Maintained an extensive engagement programme with debt issuers and we raised ESG issues and actively encourage improvement in practices, conducting 991 engagements with debt issuers in 2023, of which the majority included some form of ESG dialogue. These included 149 engagements focused solely on ESG issues.
- Embedded a net-zero approach in two Responsible Horizons strategies, building on Insight's Prime net-zero alignment framework, which categorises companies according to their commitment to or alignment with net-zero principles.

### Section 3. Next steps

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

Steps we are seeking to take over the years 2024 and 2025 include the following:

- We are in the process of introducing a new Climate Change Policy, which outlines the philosophy and approach we apply regarding climate change with respect to relevant financial investments.
- We intend to maintain a strong level of resource focused on responsible investment and in related areas. The expertise of our team is critical in defining the quality of our stewardship activity, especially when considering the range of client requirements, the pace of regulatory change, and evolving practice in responsible investing. To ensure that we deliver investment and service quality to our clients, we introduced training for colleagues on ESG-related issues in 2023 and are looking to enhance this in 2024.
- We believe that there needs to be more rigour and evidence in the investment industry to support investment decisions and claims being made with respect to how environmental change influences finance and investment, and how economic and financial systems can contribute to achieving global environmental sustainability. Investment managers urgently need a broad and deep bank of academic research into how ESG factors influence fixed income investments which demonstrates rigorous financial analysis that has practical applications in portfolio management. We established a long-term partnership with the University of Oxford in 2023 to encourage and reward excellence in academic research and have introduced an additional Green Finance Fixed Income Paper Prize in 2024, which is for research papers that examine the role environmental sustainability plays in fixed income investing.
- The evolution of our proprietary tools, such as the Prime ESG ratings, continues to be an area of focus as we seek to refine that data which serves as an input into our fundamental research activities..

#### 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

Adrian Grey

Position

Global Chief Investment Officer

Organisation's Name

Insight Investment

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

#### Section 5. Additional Organisation Statements (Voluntary)

If you wish to do so, provide a document or link including information about any relevant legal or regulatory restrictions that apply to your responsible investment activities and how you comply with them.

<https://reporting.unpri.org/file/86C36447-D222-469F-B4B6-1520E92AF434/>

<https://reporting.unpri.org/file/498EA754-9B18-4CEA-BECE-E889652DC296/>

# 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	03	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

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2.1	CORE	OO 2	OO 2.2	PUBLIC	Subsidiary information	GENERAL

Are any of your organisation's subsidiaries PRI signatories in their own right?

- (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, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 444,186,239,387.00

(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

### Additional information on the exchange rate used: (Voluntary)

Assets eligible for ESG integration includes AUM in cash securities. Other economic exposure (liability benchmarks/synthetic exposures) is removed at portfolio level. Insight's total AUM is represented by both cash securities and other exposure managed. This report reflects AUM in cash securities of Insight Investment, the brand for companies including, among others, Insight Investment Management (Global), Insight Investment Management (Europe) and Insight North America .

## 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	0%	0%
(B) Fixed income	>75%	0%
(C) Private equity	0%	0%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	>0-10%	0%
(J) Off-balance sheet	0%	0%

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

Other includes listed infrastructure managed within multi-asset allocations and residual physical assets within risk management and currency solutions. As noted in OO 4, our data is based on our physical AUM the above split is provided on an asset level look through.

## 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 >0-10%

(B) Passive – corporate >0-10%

(C) Active – SSA >50-75%

(D) Active – corporate >10-50%

(E) Securitised >0-10%

(F) Private debt 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

(B) Fixed income – SSA (8) >60 to 70%

(C) Fixed income – corporate (4) >20 to 30%

(D) Fixed income – securitised (2) >0 to 10%

## 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?

	(3) Fixed income - active	(4) Fixed income - passive	(11) Other
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

### STEWARDSHIP NOT CONDUCTED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship not conducted	2

Describe why your organisation does not currently conduct stewardship and/or (proxy) voting.

Stewardship, excluding (proxy) voting  
(D) Fixed income – passive

Insight's systematic fixed income teams 'efficient beta' strategies aim to achieve benchmark returns net of costs and charges by adding systematic alpha to an index portfolio. This is delivered by exploiting systematic and structural market inefficiencies which are often ignored by other managers as a result of high trading costs and difficulties trading certain bonds in illiquid sub-asset classes of the bond market, such as high yield. .

The broad goal of these strategies is to replicate market exposure, which necessitates holding a large number of positions. Portfolios are not constructed through recommendations driven by analysts but rather by a model-based optimisation processes defined by a series of rules. As such we do not conduct stewardship activities as the opportunity for effective engagement and feedback is limited due to the systematic nature of the investment process.

There may be instances where issuers within our systemic fixed income strategies may be subjects of engagement, where these issuers are also held within active portfolios. However, we do not seek attribution of such engagement instances within our systematic fixed income strategies.

## 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
(E) Fixed income - SSA	<input checked="" type="radio"/>	<input type="radio"/>
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Fixed income - securitised	<input checked="" type="radio"/>	<input type="radio"/>
(V) Other: Other includes listed infrastructure managed within multi-asset allocations and residual physical assets within risk management and currency solutions. As noted in OO 4, our data is based on our physical AUM the above split is provided on an asset level look through.	<input checked="" type="radio"/>	<input type="radio"/>

### 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

## Liability-driven Investment (LDI)

LDI is a risk management solution, primarily for hedging interest rate and inflation risks of defined benefit pension schemes, rather than a standalone asset class. Where ESG risks are considered within LDI portfolios, it is a secondary consideration to the overall investment objective of the LDI portfolio which is to provide a specific level of interest rate and/or inflation sensitivities. e.g. UK pension scheme invests in UK gilts to reduce its liability risks and consideration of ESG risk is secondary to the primary objective of holding the assets. As such, if there is consideration of ESG risks, it will be applied within the investment process of the underlying asset class within an LDI portfolio.

Insight's 'Prime' ESG ratings are not primarily used for decision-making purposes within investment processes other than in some limited instances for sovereign bonds in 'discretionary LDI portfolios' – discretionary LDI portfolios are actively managed where strategic decisions of which assets to hold in the LDI portfolio is expected to contribute to outperformance against a liability benchmark. ESG ratings of sovereign bonds are reviewed by the respective Financial Solutions Group (FSG) Policy Groups rather than at a portfolio level by LDI portfolio managers. Having an ESG rating is not a pre-requisite for investing.

The asset classes in which an LDI portfolio invests can be categorised within three different categories (i) sovereign bonds (using the Insight Prime Sovereign ESG Rating) (ii) derivatives and (iii) a range of other assets, typically credit and money market funds ('other backing assets'):

- For sovereign bonds, the following applies:

- For some discretionary LDI mandates, consideration of ESG criteria may be applied to allocations made to some sovereign bond holdings but these are secondary considerations to the overall investment objective of the LDI portfolio.

- For some discretionary LDI mandates, allocations to 'green bonds' may be made when expected returns are judged to be favourable compared to non-green bonds or for risk management purposes.

- Analysis of ESG criteria of sovereign bond holdings is not considered in all discretionary LDI mandates and is not applicable for LDI mandates

- For derivatives, ESG analysis of underlying exposures is not considered, however ESG factors are considered for the counterparties that Insight trade derivatives with (as part of the credit review and approvals process). The same applies for funding transactions which including repurchase agreements – consideration of ESG factors are applied at a counterparty credit risk level.

- For other backing assets, consideration of ESG criteria by the LDI portfolio manager is not part of the allocation and decision-making process – the level of ESG integration applied to the individual funds is determined by the desks running those strategies.

## Multi-Asset

For our flagship multi-asset offering, we follow a global macro approach targeting long-term growth through dynamic asset allocation across a broad range of asset classes. While the strategy does not have a specific ESG objective, responsible investment considerations are incorporated in some asset classes within our investment process.

We extensively use index-based instruments in the strategy and work with market participants to encourage the development of derivatives for ESG-screened indices. This is achieved via engaging with market participants to launch new instruments, encouraging the adoption of ESG criteria to existing instruments, by being early-stage investors where appropriate and by engaging with index providers to enhance ESG criteria when appropriate. Our engagements also include working with market counterparties for the development of ESG-focussed credit derivatives and options on ESG indices.

We typically expect to use ESG-screened exposures when they are considered to offer a comparable risk return profile to those on equivalent non-ESG indices and can be implemented in a cost-effective manner. The strategy's market-based ESG exposures typically limit exposures to tobacco, controversial weapons, thermal coal and companies not in compliance with the UN Global Compact (UNGC).

The strategy accesses infrastructure investments via listed closed-end investment companies with a focus on renewable energy, social and economic sectors, as part of the strategy's real-asset exposures. Assessment of ESG considerations make up a part of the initial analysis process prior and subsequent to investing in infrastructure holdings. Questionnaires may be used to source ESG information, which helps to generate an ESG rating, and the ESG questionnaire may highlight areas of potential engagement.

Currency

We do not integrate ESG analysis within our currency solutions at this point in time.

## ESG STRATEGIES

### 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	(3) Fixed income - securitised
(A) Screening alone	>0-10%	>10-50%	>0-10%
(B) Thematic alone	0%	0%	0%
(C) Integration alone	>75%	>50-75%	>50-75%
(D) Screening and integration	>0-10%	>0-10%	0%
(E) Thematic and integration	0%	0%	0%
(F) Screening and thematic	0%	0%	0%
(G) All three approaches combined	0%	>0-10%	0%
(H) None	>0-10%	>0-10%	>10-50%

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	(3) Fixed income - securitised
(A) Positive/best-in-class screening only	0%	0%	0%
(B) Negative screening only	>75%	>75%	>75%
(C) A combination of screening approaches	0%	>10-50%	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 AUM that your ESG and/or sustainability-marketed products or funds represent:

>0-10%

- (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

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 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:  
Financial Reporting Council – 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**

(B) Fixed income - passive 0%

## 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 >50-75%

(B) Social bonds >0-10%

(C) Sustainability bonds >10-50%

(D) Sustainability-linked bonds 0%

(E) SDG or SDG-linked bonds 0%

(F) Other 0%

(G) Bonds not labelled by the issuer 0%

## 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	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(E) Fixed income – SSA	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) Fixed income – corporate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(G) Fixed income – securitised	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

## 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
- (M) Other responsible investment elements not listed here

Specify:

Firm-level weapons policy; parent-level cannabis policy; policies related to SFDR. Additionally, for our Responsible Horizons fund range, we also maintain policies specific to the fund range relating to exclusions, nuclear power and stewardship. For all funds with ESG-related considerations and/or targets, we detail the relevant ESG factors in the fund's prospectus.

- (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:

Financial materiality drives our approach to stewardship. A financially material factor is one that is likely to have a positive or negative impact on the financial value of an investment. In line with our fiduciary obligations, Insight assesses and identifies what we believe to be financially material factors. The importance of specific factors differs between individual investments and different types of investment strategies and these factors may include, but are not limited to business strategy, capital allocation, competitive positioning, wider market and economic conditions, corporate governance, and regulation. We tend to view them in two broad groups.

1. Issues that are relevant to the near-term prospects of the companies or entities in which we invest: These tend to include factors such as mismanagement, disclosure gaps, poor manufacturing practices, and issues that are the subject of imminent regulation.
2. Issues that are relevant to the longer-term prospects of the companies or entities in which we invest: These could include changing regulations or consumer/public attitudes to S or E issues, and systemic risks (e.g., climate change, natural capital depletion) that could create economic disruption or prevent our clients from achieving their longer-term goals.

We may seek to engage to encourage prudent actions that create long-term value for our clients and/or reduce the uncertainty of meeting client outcomes. Engagement activity may also be driven by specific mandates/requests by clients. It may therefore be conducted for specific clients rather than Insight as a whole.

We seek to identify and respond to market-wide and systemic risks which support a well-functioning financial system. Where relevant, we may engage with regulators and policymakers to represent the interests of our clients and our own business. We prioritise issues that we believe represent risks to the successful achievement of our clients' long-term investment outcomes.

- (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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/responsible-investment-policy.pdf>

**(B) Guidelines on environmental factors**

Add link:

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/responsible-horizons-exclusions-policy>

**(C) Guidelines on social factors**

Add link:

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/responsible-horizons-exclusions-policy>

**(D) Guidelines on governance factors**

Add link:

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/responsible-horizons-exclusions-policy>

**(E) Guidelines on sustainability outcomes**

Add link:

<https://www.insightinvestment.com/globalassets/documents/sfdr-disclosures/insights-sustainability-risk-policy>

**(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-report-2024.pdf>

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

Add link:

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/responsible-horizons-exclusions-policy>

**(H) Specific guidelines on other systematic sustainability issues**

Add link:

<https://www.insightinvestment.com/globalassets/documents/sfdr-disclosures/insights-sustainability-risk-policy>

(I) Guidelines tailored to the specific asset class(es) we hold

**(J) Guidelines on exclusions**

Add link:

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/responsible-horizons-exclusions-policy>

**(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

[https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu\\_stewardship\\_policy\\_2024.pdf](https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu_stewardship_policy_2024.pdf)

**(L) Stewardship: Guidelines on engagement with investees**

Add link:

[https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu\\_stewardship\\_policy\\_2024.pdf](https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu_stewardship_policy_2024.pdf)

**(M) Stewardship: Guidelines on overall political engagement**

Add link:

[https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu\\_stewardship\\_policy\\_2024.pdf](https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu_stewardship_policy_2024.pdf)

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

Add link:

[https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu\\_stewardship\\_policy\\_2024.pdf](https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu_stewardship_policy_2024.pdf)

(P) Other responsible investment aspects not listed here

- (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:

In seeking to achieve our clients' targeted outcomes, we aspire to support stable and resilient social, environmental and economic systems and efficient, well managed financial markets. We believe reflecting material and relevant ESG issues within investment processes, and in our dialogue with issuers and other stakeholders, can help to support better investment decisions and has the potential to help our clients achieve their desired outcomes.

(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

## 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

(6) >90% to <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

(2) for a majority of our AUM

(B) Specific guidelines on human rights

(2) for a majority of our AUM

(C) Specific guidelines on other systematic sustainability issues

(2) for a majority 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?**

**(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%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

Systematic fixed income strategy: Insight's systematic fixed income teams 'efficient beta' strategies aim to achieve benchmark returns net of costs and charges by adding systematic alpha to an index portfolio. This is delivered by exploiting systematic and structural market inefficiencies which are often ignored by other managers as a result of high trading costs and difficulties trading certain bonds in illiquid sub-asset classes of the bond market, such as high yield. .

The broad goal of these strategies is to replicate market exposure, which necessitates holding a large number of positions. Portfolios are not constructed through recommendations driven by analysts but rather by a model-based optimisation processes defined by a series of rules. As such we do not conduct stewardship activities as the opportunity for effective engagement and feedback is limited due to the systematic nature of the investment process.

There may be instances where issuers within our systemic fixed income strategies may be subjects of engagement, where these issuers are also held within active portfolios. However, we do not seek attribution of such engagement instances within our systematic fixed income strategies.

Stable value strategy: Due to the extensive use of bond index sector funds and the narrow scope of physical bonds (US Treasury, MBS, ABS and CMBS) purchased by the Insight stable value team, there is a limited ability to incorporate ESG factors into our stable value investment strategy.

ABS and securitised assets managed for US domiciled clients: there is little demand for ESG integration for US ABS clients as such there ESG integration isn't considered for these specific mandates.

(I) Other

# 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:

The Executive Management Committee (EMC) is responsible for setting strategy, compiling an appropriate plan to be agreed by the Insight Board and delivering against that plan through its business decisions.

- (C) Investment committee, or equivalent

Specify:

The Insight Responsibility Oversight Committee (IROC) is the principal governance group with oversight and accountability for responsible investment across investment (covering all Insight's investment activities), commercial development and communications activities, and corporate social responsibility programme.

- (D) Head of department, or equivalent

Specify department:

Head of Responsible Investment, Investment desk heads, Head of Credit Analysis

- (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	<input type="checkbox"/>	<input type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input type="checkbox"/>	<input type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Stewardship: Guidelines on overall political engagement	<input type="checkbox"/>	<input type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

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:

The Insight Responsibility Oversight Committee (IROC) has an advocacy steering sub-group which sets the priorities for our advocacy programme on behalf of our clients. This can include dialogues with governments and regulators where appropriate. The advocacy steering group is led by the CEO and reports to the Insight Responsibility Oversight Committee to set out priorities within the advocacy programme.

- (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:

Governance of the firm is carried out through Insight's Board. The EMC the key business committee for the company and its subsidiaries are responsible for strategy and execution, operational management and finance. The IROC is the principal governance group with oversight and accountability for responsible investment. Insight's approach to responsible investment is the responsibility of investment teams, supported, championed and overseen by our dedicated RI Team and governance structure.

- (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)

We do not currently use RI KPIs to evaluate our board performance.

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)

EMC members share a set of ESG objectives covering governance, risk, ethics, and culture and conduct, and all objectives are cascaded throughout the firm.

Additional EMC objectives, which are linked to ESG, include an objective which sets collective responsibility in relation to diversity, equity and inclusion framework, priorities and activities at Insight. In addition to these collectively shared objectives, EMC members individually sponsor aspects of Insight's Responsible Investment strategy. Individual members of the executive team have targeted individual objectives which collectively cover the scope of our strategy.

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

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?**

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input type="checkbox"/>	<input type="checkbox"/>
(C) Specific competence in other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies	<input type="radio"/>	<input type="radio"/>

## 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 all governance-related recommended disclosures
- (B) Yes, including all strategy-related recommended disclosures
- (C) Yes, including all risk management-related recommended disclosures
- (D) Yes, including all applicable metrics and targets-related recommended disclosures

(E) None of the above

Add link(s):

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-report-2024.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://www.insightinvestment.com/globalassets/documents/sfdr-disclosures/insights-sustainability-risk-policy>

**(B) Disclosures against the European Union's Taxonomy**

Link to example of public disclosures

<https://digital.feprecisionplus.com/documents/bnympeintermediary/en-ie/WF9B/WD>

**(C) Disclosures against the CFA's ESG Disclosures Standard**

**(D) Disclosures against other international standards, frameworks or regulations**

Specify:

UNGC

Link to example of public disclosures

<https://unglobalcompact.org/participation/report/cop/active/477017>

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

Specify:

UK Stewardship Code Report

Link to example of public disclosures

<https://www.insightinvestment.com/investing-responsibly/stewardship-report-2024/>

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

Specify:

TCFD – Climate Change report

Link to example of public disclosures

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-report-2024.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 our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Add link(s):

<https://www.insightinvestment.com/investing-responsibly/responsible-investment-initiatives/>

- (B) 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
- (C) 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  
Specify:

### Weapons policy

Insight does not invest in companies involved with the production, sale or maintenance of cluster munitions or landmines. This policy is applicable to all Insight funds and strategies. A copy of Insight's Weapons Policy can be found by clicking on the following link:

<https://www.insightinvestment.com/investing-responsibly/>

### Cannabis policy

The policy is defined by Insight's parent, Bank of New York . Insight is not permitted to acquire securities or issuers listed on BNY's Cannabis-Related Businesses (CRBs) Restricted List, except in the case of Permitted Securities, defined as securities issued by CRBs that are listed on the NYSE, NASDAQ, TSX, LSE, ASX and their affiliates, and such other securities that may be approved from time to time by our internal governance bodies. In addition, portfolios managed by Insight UK entities or from any location for UK domiciled clients, are also restricted from investing in securities of CRBs that generate 5% or more of their revenue from the production and/or sale of recreational cannabis (UK CRB). In the event a pre-existing issuer becomes a restricted UK CRB, the issuer in question is escalated to Compliance for review and advice.

### Responsible Horizons strategies

Please refer to the following link for details of our Responsible Horizons Exclusion Policy that is applicable to our Responsible Horizons fund range in addition to organisation-level exclusions:

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/responsible-horizons-exclusions-policy.pdf>

### Thermal coal position

Insight's science-based position on thermal coal investments can be found on the following link:

<https://www.insightinvestment.com/investing-responsibly/perspectives/insight-position-on-thermal-coal/>

- (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

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

### (2) Fixed income

(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?**

Several teams within Insight monitor sources of potential risks, with a focus on identifying potential material issues that may impact Insight as a firm, the functioning of financial markets, and the services we offer to our clients. Information is assimilated and shared with relevant business functions and subject matter experts within Insight by the relevant teams to better understand the potential impacts of issues identified as potential risks. How an issue is prioritised for engagement by Insight depends on the significance of the issue, and whether the issue is already being addressed effectively within the industry. An engagement strategy is formed and executed based on the prioritisation of issues. This may include engagement with trade associations, industry participants and/or policymakers. Our Public Policy function will typically lead on developing and implementing an engagement strategy. This function is supported when necessary by the BNY Public Policy and Government Affairs team.

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 note that given our business concentration in risk management (LDI) and fixed income, our focus with regard to collaborative engagement often differs to that of equity investors. Much of our collaborative work pertains to broader market-wide issues, which necessitates engagements with market participants and counterparties. In many cases, such engagements will mean collaboration with asset owners, as well as alongside other investment managers.

In fixed income markets, we note that direct engagements with some debt issuers can be challenging for logistical and other reasons. In instances where this is the case, we believe it is important to seek to engage where possible via collaborative initiatives to pursue appropriate outcomes for our clients. For example, dialogue with major developed-market sovereign issuers is unlikely to have a meaningful impact without collaboration across a pool of investors, given the scale of issuance. This underscores the importance of collaborative initiatives, such as the PRI and IIGCC, which Insight has supported for nearly two decades.

We select collaborative initiatives to participate in based on their relevance to Insight’s clients and the objectives of their mandates.

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
- 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

Select from the list:

- 4
- 5

- (D) Informal or unstructured collaborations with investors or other entities

Select from the list:

- 3
- 5

- (E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar

Select from the list:

- 2
- 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?**

We aspire to integrate relevant ESG factors across mandates, where practicable, based on the relevance to the investment strategy and subject to the terms of our mandate with the underlying clients.

Our integration process is typically supported by our proprietary ESG ratings, Prime. Insight's Prime ESG ratings frameworks help to support investment analysis, identify areas of concern and drive engagement. Where ESG factors are deemed relevant for a mandate based on that mandate's criteria or requirements, analysts and portfolio managers are responsible for the day-to-day integration of ESG factors within the investment process as they seek to ascertain the financial materiality of ESG risks and opportunities to appropriately assess valuation of securities.

To the extent applicable, investment team members identify topics for engagement relevant for specific issuers within their coverage universe based on quantitative and qualitative analysis and research. These engagements typically aim to provide a more complete picture of companies' risk and reward profile. By engaging in an effective dialogue with issuers we aim to protect and enhance investment returns and seek to help secure the delivery of client outcomes.

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.**

Financial materiality drives our approach to stewardship. A financially material factor is one that is likely to have a positive or negative impact on the financial value of an investment. In line with our fiduciary obligations, Insight assesses and identifies what we believe to be financially material factors. The importance of specific factors differs between individual investments and different types of investment strategies and these factors may include, but are not limited to business strategy, capital allocation, competitive positioning, wider market and economic conditions, corporate governance, environmental risks and regulation focused on social impacts. Essentially, these factors – which may include what are commonly referred to as environmental, social and governance (ESG) factors – comprise the mosaic of factors that we believe can be relevant for effective financial analysis. We recognise that these factors play out over different timeframes, and therefore tend to view them in two broad groups.

- Issues that are relevant to the near-term prospects of the companies or entities in which we invest: These tend to include factors such as mismanagement, disclosure gaps, poor manufacturing practices, and issues that are the subject of imminent regulation.
- Issues that are relevant to the longer-term prospects of the companies or entities in which we invest: These could include changing regulations or consumer/public attitudes to social or environmental issues, and systemic risks (e.g., climate change, natural capital depletion) that could create economic disruption or prevent our clients from achieving their longer-term goals.

For issues that can be described in quantitative, financial terms, it is typically straightforward to define whether to engage and the objective of engagement.

For issues that are challenging to assess in such terms, perhaps because the financial impact and timeframes are uncertain, we first seek to better understand the issue. Where relevant, we may seek to engage to encourage prudent actions that create long-term value for our clients and/or reduce the uncertainty of meeting client outcomes.

Engagement activity may also be driven by specific mandates and/or requests by clients. It may therefore be conducted on behalf of specific clients rather than Insight as a whole.

We prioritised key ESG engagement themes for 2023 to ensure we are consistently addressing important issues through our engagement activity. These were discussed and approved by the Responsible Investment Group (a sub-group of IROC). Our prioritised themes for 2023 included Climate change; Water Management and Diversity and Inclusion. An overview and review of our stewardship efforts over the course of 2023 is available in our stewardship report - <https://www.insightinvestment.com/globalassets/documents/responsible-investment/stewardship-code/uk-eu-responsible-stewardship-at-insight-2024-report.pdf>

## STEWARDSHIP: ESCALATION

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

There are two dedicated internal fixed income implementation groups that meet to discuss stewardship and responsible investment themes; the ESG Fixed Income Group (Corporate) and the ESG Fixed Income Group (Sovereign). These report directly to the Responsible Investment Group (RIG), which aims to ensure that Insight's responsible investment strategy is implemented across relevant asset classes and by relevant investment teams. Individuals from across the investment desks are members of these groups, and/or will present proposals and provide updates as necessary. Both groups aim to effectively apply the responsible investment strategy across corporate/sovereign fixed income.

In 2021, we developed a qualitative ESG flag system to support the Framework in being reactive when we expect an improvement or deterioration in ESG performance which is not yet reflected in the external data. For example, in 2022 this process was executed when we began to see rising tensions between Russia and Ukraine, with Russia receiving a red flag on 2 February, and a Black flag on 25 February. The Black flag resulted in the Russia (and subsequently, Belarus) Prime Sovereign ESG risk rating being adjusted to a worst in class 5. In 2023, the Middle East Conflict saw Israel receiving a red flag as a result of the conflict and a broader evaluation of 13 other countries covered under SFDR PAI 16 as being subject to social violations for portfolios subject to SFDR for labelling with black flags that was subsequently presented to the Ratings and Exclusions Group (REG) in early 2024.

## 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:

In 2023, Insight responded to the FCA SDR consultation, successfully petitioning for a sustainability mixed goals label; to the EC SFDR review and the call for evidence for the Pension trustee skills, capability and culture consultation, specifically on fiduciary duty and long-term factors.

- (D) We engaged policy makers on our own initiative

Describe:

Insight sent letters to the UK government (the Office of the Prime Minister and the Department for Energy Security and Net Zero) raising concerns about the impact of policy changes on the government achieving its net-zero target and the risk this poses to specific clients' investment objectives.

(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**

Add link(s):

<https://www.insightinvestment.com/investing-responsibly/perspectives/our-literature/>

**(B) We publicly disclosed details of our engagements with policy makers**

Add link(s):

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/stewardship-code/uk-eu-responsible-stewardship-at-insight-2024-report.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:

Engagement to improve ESG transparency and disclosures

(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.

Background: The European bank is a provider of retail, investment and corporate banking products. It is the first bank in its region to have issued a green senior non-preferred note in Euros, an impact bond issue. Previously, Insight rated the bank's green bond framework as red (meaning it cannot be held in some portfolios, including Insight's Responsible Horizons strategies), due mostly to 100% of proceeds being used for refinancing. The allocation reporting from 2022 highlights that some of the proceeds were used for green buildings and renewable energy – categories we would expect to have new financing alongside refinancing. The objective of our engagement was to encourage the issuer to strengthen the framework ahead of a new green senior non-preferred note issue. We indicated to the issuer that the framework could be improved with the following disclosures: the percentage of proceeds of new bonds to go towards refinancing versus new financing, with a minimum threshold of 25%; and a split of eligible projects.

Engagement: We summarised our feedback during our engagement, and the bank provided more detail on eligibility criteria and the expected project types to be financed with the proceeds of the green bond senior non-preferred notes. Following the engagement, the issuer addressed our feedback, satisfying Insight's previous concerns. Accordingly: – 75% of the proceeds raised by the green bond issue will be allocated to eligible green buildings (BREEAM Excellent and above, LEED Gold and above, HQETM Excellent and above), while 25% is earmarked for renewable energy projects, such as wind farms and solar energy; and – 75% of net proceeds will be used for refinancing and outstanding loans (with a maximum lookback period of three years applied to any refinancing), and 25% will finance new sales and disbursements of scheduled loan tranches – the bank highlighted that Insight was the only investor to request this allocation to new projects, so we were pleased that the issuer agreed to our requests. The issuer also outlined its extensive exclusion list and the alignment with the EU Taxonomy for sustainable activities and the Climate Bonds Initiative.

Outcome: The changes made by the bank helped to strengthen its green bond framework, which meant the issuer's impact bonds could be upgraded to light green on Insight's impact bond assessment framework. As a result the bond can now be held by additional Insight portfolios, including Insight's Responsible Horizons strategies. We invested in the bank's latest impact bond issue.

(B) Example 2:

Title of stewardship activity:

Long-term engagement with a Singaporean investment company on climate-related disclosure

(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.

Background: Insight engages regularly with the UK DMO given Insight's large client base of UK pension schemes, which invest heavily in UK government bonds (gilts).

Activity: Insight engaged with the DMO and HMT in May and June 2023 to follow up previous engagements where Insight raised several issues related to green gilt issuance and other sustainability topics, including the following. – We encouraged the DMO to increase the frequency of impact reporting on green gilts from every two years to once a year. Their response made clear this is unlikely in the near term. – We explained Insight's concerns regarding the UK's ability to meet its net-zero targets given the current policy environment, which is a key assessment consideration of the quality of green gilts by Insight. Specific concerns included approval for a new coal mine in Cumbria and the lack of a green industrial policy to support transitioning companies. – We explained that uncertainty over institutional investors' fiduciary duty presented challenges for allocations to green gilts. The DMO said it was aware of this before the issuance of green gilts, but given the success of the issuance they did not view this uncertainty as a problem. We reiterated that it remained a problem, with strong views being expressed in the market. We explained that it would be helpful if the government could clarify how trustees' fiduciary duties apply to increase comfort in allocating to green and other impact bonds. – We discussed the government's plans for green issuance, with the government reaffirming its commitment to the Green Financing Programme with plans to issue £10 billion of green gilts in the 2023-2024 financial year. We asked if there were any further developments regarding the DMO's intentions to issue sustainability-linked bonds. The DMO set out obstacles, and given the focus on liquidity, we expect green gilts to remain the focus for the time being.

Outcome: We were not satisfied with the outcome of the engagement in relation to the frequency of impact reporting, which was an element in the downgrade of the UK government's green gilt from dark green to light green under Insight's impact bond assessment framework in 2022. Insight will continue its ongoing engagement with the DMO on a wide range of issues, including ESG topics.

### (C) Example 3:

Title of stewardship activity:

Engagement with a Latin American oil and gas company

- (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.

Background: We engaged with the multinational drink and brewing company. We hold its bonds across a range of funds, including the Responsible Horizons strategies. We previously engaged with the issuer on its low Prime governance rating of 4. The sub-factors that caused the poor governance rating were ethics and tax issues, which were driven mainly by controversies and disclosure issues. We were pleased to see the company's governance rating had since improved to 3. We engaged with the company in Q4 2023 on outstanding issues related to a third-party data provider attributing a low score to the company's labour management and ethics.

Engagement: The data provider penalised the company for several issues around labour management. Firstly, on apparent evidence of limited collective agreements on working conditions, the company said it does not disclose its collective agreement statistic, so the data provider's <25% statistic is not accurate. The company further stated that collective agreement information is contained in a public filing and gave us some approximate statistics around the percentage of employees in several markets that are part of collective agreements.

Secondly, on a perceived lack of labour standards in its supply chain, the issuer stated that it has a responsible sourcing policy in place, working closely with procurement teams to oversee the successful implementation of this policy. Additionally, the company is currently working on plans to enhance supplier engagement which will touch on labour management topics.

On ethics, we recommended that the issuer discloses the specific frequency of its ethics audits and extends ethics training to all employees. The issuer responded it does intend to publish the frequency of its audits and plans to increase ethics training.

We also asked about how its policy on ethics had changed over the previous 24 months, given its Insight Prime governance rating had improved. We specifically asked around tax given it was a key issue at our last engagement. The issuer indicated that while there remains a disclosure gap around tax, it had increased its tax disclosures, whereby the company now publishes a tax report. The company also stated that tax-related controversies have now been settled and they are waiting for the third-party data provider to upgrade the company.

Outcome: The company's Insight Prime governance rating has improved from 4 to 3 over the last 18 months, driven by its improvement in ethics and specifically tax policy, especially with regard to disclosures.

The remaining issue around labour management, for which the company, is partly due to a disclosure gap on collective agreements. However, the firm is planning to disclose this information via corporate social responsibility disclosures. We will continue to monitor progress on this front and on its key performance indicators.

For these reasons and the company's overall Prime rating of 2 and its improved governance score, a follow-up engagement is unlikely if we see evidence of progress on the proposed improvements identified in this engagement. However, any deviation from goals or deterioration in its score could prompt re-engagement.

(D) Example 4:

Title of stewardship activity:

(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.

(E) Example 5:

Title of stewardship activity:

(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.

## 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:

Transition risks:

Short term, 1-3 yrs

Policy and Legal: Companies and sectors are vulnerable/beneficiaries from changing policy and reporting requirements depending on the nature of the change and their sector, these risks are expected to be manageable in the short term.

Technological risks of low-carbon transition are expected to be low in the short-term, with some disruption as a result of shifting demands for goods and services. Some sectors are instructing suppliers to reduce emissions without price incentives.

Market shifts have been limited to the energy sector to date, in a handful of geographies where a combination of investor and regulatory pressure has driven relatively rapid shifts. This trend is likely to continue in the short term and pose minimal financial risk.

Reputational risks are becoming increasingly material for issuers, due to increasing awareness of climate change. This is likely to remain isolated to a handful of sectors and issuers in the short term.

Medium term, 4–10 yrs

Policy and legal risks are expected to increase from the mid-2020s, with growing pressure on governments to deliver on pledges. Regulatory asymmetry is expected to remain a major challenge. This adds complexity and opportunity.

Technology risks are likely to become more widespread as the focus of decarbonisation shifts towards hard-to-abate sectors. Pressure to support decarbonisation is expected to grow. Companies may benefit from these changes in technology and our analysis should help to identify companies that are well placed to transition.

Market risks are expected to rise over the medium term, but many companies may benefit from these changes as explained above. Specific sectors, such as oil and gas, have already seen challenges in permitting for new exploration and development projects.

Reputation: The stigmatization of sectors has come into focus as some clients move to mandates focussed on non-financial metrics. These trends are likely to accelerate in the mid-2020s onwards.

Long term, 11+ yrs

In 2030s policy and legal risks are expected to become more widespread, which may have implications for asset allocation.

Technological shifts are likely to become more pronounced in the long-term. This could entail growth opportunities for some issuers or downside risks for specialised business'.

Market shifts are likely to become more pronounced in the long-term, changing consumer behaviour is a difficult area to forecast and may pose significant risks and opportunities long-term.

Reputational risks relating to climate change are likely to be compounded in the long term. Understanding emerging sources of risk and challenges posed to longer-dated investments is key.

Physical risks - Risks associated with long term changes in weather patterns

Short term, 1-3 yrs

Acute: The frequency and severity of acute physical risks are expected to rise in most geographies, reflecting rising physical impacts of climate change. Insurance coverage is expected to mitigate most significant risks.

Chronic: Chronic risks are increasingly recognised as a result of changing weather and precipitation patterns, but in general are not expected to pose major financial risks in the short term.

Medium term, 4–10 yrs

Acute: Asset diversification offers significant risk mitigation in comparison to more location-specific issuers, but smaller issuers with a more localised base of operations may be impacted in some cases.

Chronic: Chronic risks are expected to become more severe and widespread in this period, but with a strong bias towards specific regions.

Long term, 11+ yrs

Adaptation is expected to play an important role, and whilst costs have fallen on public finances to date, longer-term it is likely that risk mitigation will increasingly impact private sector capital as well.

Climate-related investment opportunities – There are numerous ways to fund the green transition and increase the impact of our clients' investments where we are mandated.

There is a growing focus on using financial tools to achieve positive environmental impacts and encourage a low-carbon economy, alongside generating a financial return.

Green bonds dominate the 'impact bond' market, including bonds promising to finance projects that support the transition to net-zero and tackle climate change. Impact bonds allow investors to measure impact such as greenhouse gas emissions avoided or renewable energy generation.

'Impact Issuers' are companies whose business and economic activity lead to a positive environmental and/or social impact, measured as companies that derive a significant amount of revenue from appropriate economic activities such as those that are aligned with the UN SDGs or EU taxonomy.

- (B) Yes, beyond our standard planning horizon
- (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:

In 2022, the Board and Executive Management Committee (EMC) delegated oversight of the management of climate-related risks to the new Climate Change Resilience Committee which reports bilaterally to both the Board and the Insight Responsibility Oversight Committee.

The CCRC is chaired by the Chief Risk Officer, who has overall senior manager responsibility of the management of climate change risks and is responsible for overseeing climate risks, opportunities, strategy and policy, including both investment and operational activities.

The purpose of the CCRC is to ensure investment, risk, operational and client teams meet best practice standards in terms of how they consider climate change and that each of the functions are transparent with their processes and objectives. Additional voting members include representatives from the investment, risk, client service and legal teams.

The CCRC's focus is at a firm-wide level and includes oversight of:

- **Implementation:** The integration of climate change risk factors into decision-making processes, platforms and procedures. Approval and monitoring of net-zero strategy for both the firm itself and its investments alongside targets, and progress towards environmental commitments that link to climate change.
- **Stewardship:** Monitoring of our climate change stewardship, including engagement and resulting action. Working with our parent company, The Bank of New York Mellon Corporation (BNY Mellon), to further develop climate strategy and commitments.
- **Regulation:** Oversight and control of firm and portfolio-level climate change transparency including TCFD-aligned reporting and stress testing.
- **Governance:** Monitoring activities of relevant teams for their management of climate change risk issues. Regular communication and reporting back to the Board and IROC, including the recommendation of appropriate governance on climate risk, including remuneration. Overseeing the delivery of climate training to all employees and the Board at least annually.

Further details on our approach to climate change can be found in our Climate Change Report:

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu---climate-change-report-2022.pdf>

- (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:

Please refer to the following link for Insight’s position on thermal coal:

<https://www.insightinvestment.com/investing-responsibly/perspectives/insight-position-on-thermal-coal/>

Responsible Horizons

Whilst some investors are happy to invest in companies that are transitioning, we recognise that some investors have a ‘red line’ on investing in thermal coal.

For such investors, the “Responsible Horizons” strategies are available which apply certain exclusionary criteria in relation to coal-related activities. Such strategies may, for instance, prevent investment in companies which derive a certain percentage of revenue from coal mining and/or power generation, unless the instrument being purchased is a “use-of-proceeds” impact bond and the investment manager believes the issuer has a clearly defined, long-term plan to address its environmental impact and meets the ESG criteria of the investment manager.

We expect to continue to monitor these limits over time and adjust them as global decarbonisation trends take effect.

Further details on our approach to thermal coal can be found using the following link:

<https://www.insightinvestment.com/investing-responsibly/perspectives/insight-position-on-thermal-coal/>

Please refer to the following link for the details of our Responsible Horizons strategies:

<https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu---responsible-horizons-make-investment-count.pdf>

**(B) Gas**

Describe your strategy:

We do not exclude exposure to the oil and gas sector. Insight’s focus is on supporting companies to decarbonise via positive allocation and engagement. Client mandate requirements define the specific approach taken.

For our Responsible Horizons range we exclude unconventional oil and gas issuers and have set a high bar for issuers involved in conventional oil and gas, excluding issuers with >5% revenues unless the exposure is via an environmental use of proceeds impact bond, or if it is an issuer we believe has a clearly defined, long-term plan to address its environmental impact. Further details on this process is available upon request.

**(C) Oil**

Describe your strategy:

We do not exclude exposure to the oil and gas sector. Insight's focus is on supporting companies to decarbonise via positive allocation and engagement. Client mandate requirements define the specific approach taken.

For our Responsible Horizons range we exclude unconventional oil and gas issuers and have set a high bar for issuers involved in conventional oil and gas, excluding issuers with >5% revenues unless the exposure is via an environmental use of proceeds impact bond, or if it is an issuer we believe has a clearly defined, long-term plan to address its environmental impact. Further details on this process is available upon request.

**(D) Utilities**

Describe your strategy:

We do not exclude exposure to the utilities sector. Insight's focus is on encouraging companies to decarbonise via positive allocation and engagement. Client mandate requirements define the specific approach taken.

For our Responsible Horizons range we exclude issues with significant involvement in coal and nuclear power generation and issuers with a significantly high carbon intensity.

**(E) Cement**

Describe your strategy:

We do not exclude exposure to the cement sector. Insight's focus is on encouraging companies to decarbonise via positive allocation and engagement. Client mandate requirements define the specific approach taken.

For our Responsible Horizons range we exclude issuers with a significantly high carbon intensity.

**(F) Steel**

Describe your strategy:

As standard, we do not exclude exposure to the steel sector. Insight's focus is on encouraging companies to decarbonise via positive allocation and engagement.

For our range of Sustainable funds, 'Responsible Horizons' we exclude issuers with a significantly high carbon intensity

**(G) Aviation**

Describe your strategy:

We do not exclude exposure to the aviation sector. Insight's focus is on encouraging companies to decarbonise via positive allocation and engagement. Client mandate requirements define the specific approach taken.

For our Responsible Horizons range we exclude issuers with a significantly high carbon intensity.

(H) Heavy duty road

(I) Light duty road

(J) Shipping

(K) Aluminium

(L) Agriculture, forestry, fishery

(M) Chemicals

(N) Construction and buildings

(O) Textile and leather

**(P) Water**

Describe your strategy:

Water metrics are incorporated within our Prime ESG framework and, where deficiencies are highlighted that are sufficiently material, will be evaluated by analysts during the credit analysis process, through the use of our landmine checklist. Water use also constitutes one of the PAI assessments and will thereby be integrated where that screen is adopted, subject to data availability. Alongside the above, water is also an area of thematic engagement for our Responsible Investment Team.

(Q) Other

(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:

Insight has modelled the resilience of its investment strategy using the Network for Greening the Financial System (NGFS) framework. Insight has modelled against six scenarios as this provided a broad scope for the analysis: Net Zero 2050, Divergent Net Zero, Below 2°C, Delayed Transition, Nationally Determined Contributions (NDCs) and Current Policies. We also added a bespoke physical risk-driven inflation scenario drawing on recent peer-reviewed academic research on the impacts of climate change on core inflation across countries – in this case, the UK economy.

- (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

Our proprietary Prime Climate Risk Ratings tool for corporate debt, ranks thousands of issuers according to how they manage physical climate change-related risks and opportunities and expands on the framework developed by the Task Force on Climate-related Financial Disclosures (TCFD). It also includes how corporate issuers are positioning themselves for a low carbon transition. Prime Climate Risk Ratings sit alongside Insight's Prime corporate and sovereign ESG ratings and corporate net zero alignment categories. Prime models seek to more accurately and reliably reflect material risks, including climate risks that corporates face. This understanding informs our decision-making and engagement and allows for portfolios to be built to specific climate criteria.

Prime Climate Risk Ratings are forward-looking and analytical in nature and generates climate risk ratings, that include forward-looking scenario analysis, which in turn rest on key performance indicators we have curated, weighted and scored. To generate these ratings Prime incorporates inputs from numerous climate data sources, adjusted for quality and relevance by Insight's credit, ESG and data experts, who also weight them according to their significance for different sectors. Following this process, issuers are assigned a climate risk rating between 1 and 5, to be consistent with the scoring methodology used as part of our fundamental analysis via the use of our credit 'landmine checklist'.

Prime encompasses both transition and physical risk factors within its framework and is paired with a broad-based dataset designed to inform beyond the specific TCFD 'recommended disclosures'

Additionally, our proprietary Prime Net Zero Alignment Framework borrows extensively from the Institutional Investors Group on Climate Change's 2021 position paper and their supplementary guidance on portfolio target-setting. It compares the net zero alignment of issuers within a portfolio of corporate bonds and is intended to sit alongside the credit research process, whilst supporting our engagement programme. Its purpose is to identify whose businesses are most/ least aligned with net zero principles and comprises of the output of two independent assessments on the materiality and maturity of achieving net zero on the issuer. It recognises that not all sectors have high carbon intensities, meaning some issuers will have higher hurdles to achieving a good net zero rating than others; and covers longer term ambitions, shorter term targets, decarbonisation strategy and disclosure.

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

At firm level, Insight believes climate change presents a systemic investment risk. It may also influence the performance of individual investments. We have developed a broad approach and a variety of methods that we use to evaluate and manage climate related risks and opportunities:

### Governance

- Insight Responsibility Oversight Committee (IROC), chaired by our CEO, has oversight and accountability for responsible investment across the business.
- Climate Change Resilience Committee (CCRC), chaired by the Global CRO, reports directly to the IROC and Insight Board. The Committee's role is to ensure investment, risk, operational and client teams meet best-practice standards in terms of how they consider climate change.
- ESG Investment Framework Governance Group ensures adherence to BNY's Responsible and Sustainable Policy Framework, including climate factors.

### Integration and portfolio management

- Proprietary ESG and climate ratings aim to highlight sustainability risks and opportunities for corporate issuers and are part of core investment process for corporate bond investments (subject to data availability).
- A range of solutions and tools offered to clients who seek tailored products to manage sustainability risks, including exclusions, positive tilts and impact.
- Engagement on climate issues is one of three core engagement themes and is the most common engagement topic, where appropriate to do so for the underlying clients

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

### (1) Describe your process

For funds with longer term investment horizons and where relevant to the mandate, climate risks will be monitored for corporates via the regular review of key climate metrics, including climate risk ratings, carbon intensity, decarbonisation commitments and/or temperature alignment metrics, alongside regular issuer engagement, as appropriate.

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

For strategies and pooled funds with specific restrictions, these will be coded within our investment platform, which will flag non-compliance to portfolio managers prior to investing, as well as flagging any deteriorations in performance. For funds without specific restrictions in place, portfolio managers have access to a wide range of climate metrics within our investment platform, enabling them to review their exposure and performance on various climate metrics at any given time. Climate metrics (where available and requested) are reported to clients, this approach ensures portfolio managers remain accountable for climate risk management.

- (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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-report-2024.pdf>

**(F) Avoided 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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-report-2024.pdf>

(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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-report-2024.pdf>

(H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals

- (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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-report-2024.pdf>

(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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-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://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu--climate-change-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 potentially negative outcomes for people connected to your investment activities?

- (A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes
- (B) We assessed whether individuals at risk or already affected might be at heightened risk of harm
- (C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts
- (D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities**

Specify:

Controversy screening

Explain how these activities were conducted:

We regularly monitor UN Global Compact compliance of corporate issuers that we invest in. Where issuers flag for violations, we may divest for certain funds based off client preferences but generally seek to engage with such issuers and following the assessment by the Responsible Investment team, an assessment is conducted by our Ratings and Exclusions Group (REG) which will determine if any investment actions are required for funds with sustainability focuses or long-term investments. These include human rights violations.

- (E) 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

# 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	(3) Securitised
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(2) for a majority 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	(2) for a majority of our AUM	(2) for a majority of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(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	(3) Securitised
(A) Yes, we have a formal process that includes scenario analyses	(2) for a majority of our AUM	(2) for a majority of our AUM	
(B) Yes, we have a formal process, but does it not include scenario analyses			(2) for a majority of our AUM
(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	(3) Securitised
(A) We incorporate material environmental and social factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We incorporate material governance-related factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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	(3) Securitised
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector		(2) for a majority of our AUM	(2) for a majority of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(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 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**

(A) We incorporate it into the forecast of financial metrics or other quantitative assessments

(2) for a majority of our AUM

(2) for a majority of our AUM

(B) We make a qualitative assessment of how material ESG factors may evolve

(2) for a majority of our AUM

(2) for a majority of our AUM

(C) We do not incorporate significant changes in material ESG factors

○

○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 7	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**At what level do you incorporate material ESG factors into the risks and/or returns of your securitised products?**

**(A) At both key counterparties' and at the underlying collateral pool's levels**

Explain: (Voluntary)

We consider ESG factors as part of the fundamental analysis undertaken on both the originators and, where applicable and possible, the underlying collateral. This analysis forms an integral part of our decision-making process and includes detailed due diligence on the originators.

More specifically, ESG risks are an integral part of a broader assessment of non-financial risk factors such as corporate governance, data quality or regulatory standards. In undertaking our fundamental assessment, we examine the list of individual holdings and potential exposure to sectors, countries or issuers that may indicate ESG risks.

For any direct lending, we ask borrowers to provide information on ESG risks to which they are exposed, and how they manage them. If a borrower does not provide this information, we may decline the loan.

We break the secured finance asset class into three broad segments: residential and consumer, commercial real estate and secured corporate. The underlying ESG analysis that is possible will vary between each sector given the different nature of the underlying collateral.

○ (B) At key counterparties' level only

- (C) At the underlying collateral pool's level only

## 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	(3) Securitised
(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	(2) for a majority of our AUM	(2) for a majority 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	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(3) for a minority of our AUM	(2) for a majority of our AUM	(2) for a majority 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	(3) for a minority 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.**

Not applicable, ESG factors do not influence our passive strategies.

## 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	(3) Securitised
(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	(2) for a majority of our AUM	(2) for a majority of our AUM	(3) for a minority 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	(3) for a minority of our AUM	(2) for a majority of our AUM	(3) for a minority of our AUM



(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

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

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## PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of environmental and/or social factors in your fixed income valuation or portfolio construction affected the realised returns of those assets.

-

## 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

(4) >50–75%

(B) Second-party opinion

(4) >50–75%

(C) Approved verifiers or external reviewers (e.g. via CBI or ICMA)

(4) >50–75%

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

Specify:

We provide feedback on frameworks and reporting with issuers and industry bodies to promote a high quality, credible impact bond market.

- (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

# 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

Insight Investment's net-zero pledge

(4) Number of targets set for this outcome

(1) No target

(2) One target

**(3) Two or more targets**

(B) Sustainability outcome #2

(C) Sustainability outcome #3

(D) Sustainability outcome #4

(E) Sustainability outcome #5

(F) Sustainability outcome #6

(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:	Insight Investment's net-zero pledge					
(1) Target name	Insight Investment's net-zero pledge					
(2) Baseline year	2020					
(3) Target to be met by	2050					
(4) Methodology	Net Zero Investment Framework; Science Based Target initiative for Financial Institutions. Scenario: IPCC special report on global warming of 1.5oC.					
(5) Metric used (if relevant)	Insight has two components to the targets we have set: portfolio-level decarbonisation targets, and portfolio-level alignment and engagement targets.					
(6) Absolute or intensity-based (if relevant)	(1) Absolute					
(7) Baseline level or amount (if relevant):	2020 Portfolio decarbonisation reference baseline of 169tCo2e/\$mn; temperature ratings: 2.4oC; Portfolio coverage baseline of sovereign bonds: 100%, High or very high under Germanwatch CCPI framework and almost sufficient of 1.5oC Paris Agreement compatible under Climate Action Tracker.					
(8) Target level or amount (if relevant)	Engagement threshold target: 2023 – 50% of corporate bonds and equity financed emissions to be either net zero aligned or aligning to net zero or subject to direct/ collaborative engagement, 2025 – 70% of corporate bonds and equity financed emissions to be either net zero aligned or aligning to net zero or subject to direct/ collaborative engagement. Portfolio decarbonisation reference target: 2025 – 30%; 2030: 50%, with temperature rating of 1.95oC; 2040: temperature rating 1.5oC; 2050: 50%.					
(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					

## (A2) Sustainability Outcome #1: Target details

(A2) Sustainability Outcome #1:	Insight Investment's net-zero pledge	
(1) Target name	Insight Investment's net-zero pledge	
(2) Baseline year	2020	
(3) Target to be met by	2050	
(4) Methodology	We have set 4 targets, with 3 attributed to corporate bond holdings and the final target for UK sovereign bond holdings which are explained in SO3.1	
(5) Metric used (if relevant)	NA	
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based	
(7) Baseline level or amount (if relevant):	NA	
(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
  - Fixed income

#### Target details

#### (A) PRI asset class breakdown: Fixed income

(1) Baseline year	2020
(2) Target to be met by	2050
(3) Emissions included in target	(1) Scope 1 (2) Scope 2
(4) Methodology	Corporate Bond holdings, Weighted Average Carbon Intensity (WACI)
(5) Metric used	(9) Other
(6) Baseline amount	167 tCO <sub>2</sub> e/Mn USD Sales
(7) Current amount (if different from baseline amount)	114 tCO <sub>2</sub> e/Mn USD Sales
(8) Targeted reduction with respect to baseline	30%

(9) Percentage of total AUM covered in your baseline year for target setting 6%

Corporate exposure represented 8% of total AUM as at the end of 2020 (baseline year).

(10) If coverage is below 100% for this asset class, explain why

In setting our initial targets, we felt it was important to consider whether our clients were likely to adopt net-zero commitments. We have focused our targets only on our UK-managed corporate bond and equity mandates. We have set an initial coverage target of a minimum of 75% of these assets, covering mainly UK and European clients.

The percentage of total AUM covered by this target represents 6% of our total AUM including both physical assets and liability benchmarks and synthetic exposures'.

When measuring the percentage of total AUM in terms of physical assets that are eligible for ESG integration (as described in indicator 004) the percentage of AUM coverage is 30%.

- Private equity
- Real estate
- 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: Insight Investment's net-zero pledge

Target name: Insight Investment's net-zero pledge

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

### (A2) Sustainability outcome #1:

(A2) Sustainability outcome #1: Insight Investment's net-zero pledge

Target name: Insight Investment's net-zero pledge

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: Insight Investment's net-zero pledge

(1) Target name: Insight Investment's net-zero pledge

(2) Target to be met by: 2050

(3) Metric used (if relevant): Insight has two components to the targets we have set: portfolio-level decarbonisation targets, and portfolio-level alignment and engagement targets.

(4) Current level or amount (if relevant): Corporate exposure represented 8% of total AUM as at the end of 2020 (baseline year).

In setting our initial targets, we felt it was important to consider whether our clients were likely to adopt net-zero commitments. We have focused our targets only on our UK-managed corporate bond and equity mandates. We have set an initial coverage target of a minimum of 75% of these assets, covering mainly UK and European clients.

(4) Current level or amount (if relevant)

At the end of 2020 (baseline year), our UK Sovereign exposure represented 39% of total AUM (when the total AUM methodology considers both physical assets and liability benchmarks / synthetic exposures)

When measuring the percentage of total AUM in terms of physical assets that are eligible for ESG integration (as described in indicator 004) the percentage of AUM coverage rises to 67%.

(5) Other qualitative or quantitative progress  
 In addition to the WACI target for corporate bonds set out in SO3.1 we are also targeting "Implied Temperature Rise" we include scope 1 and 2 assets within this target. Our baseline for this metric was 2.40 degrees Celsius and our current position is 2.14 degrees Celsius. Finally for corporate bonds we are targeting alignment with with PAII Net Zero alignment methodology: % of corporate bond financed emissions to be either a) NZ b) Aligned to NZ c) Aligning to NZ or subject to direct/ collective engagement.

(6) Methodology for tracking progress

**(A2) Sustainability outcome #1: Target details**

(A2) Sustainability outcome #1: Insight Investment's net-zero pledge

(1) Target name Insight Investment's net-zero pledge

(2) Target to be met by 2050

(3) Metric used (if relevant) NA

(4) Current level or amount (if relevant)  
 This target includes 100% of UK government bond exposure.  
 UK Sovereign exposure represented 39% of total AUM as at the end of 2020 (baseline year).  
 Had we been able to calculate %AUM based on physical assets rather than total assets, the % coverage would be 67%

(5) Other qualitative or quantitative progress  
 UK Sovereign exposure only:  
 PAII, Portfolio Coverage Target – High or Very high under Germanwatch CCPI framework and Almost Sufficient or 1.5 degrees Paris Agreement Compatible under Climate Action Tracker

(6) Methodology for tracking progress  
 1. High or Very high under Germanwatch CCPI framework.  
 2. Almost Sufficient or 1.5 degrees Paris Agreement Compatible under Climate Action Tracker

# 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	(1) Asset class allocation (2) Sector allocation (4) Divestment from assets or sectors
(2) Explain through an example	<p>The carbon intensity of our flagship strategic credit portfolio has fallen by around 35% over the past two years, relative to a global benchmark. In our strategic credit portfolios, we utilised the output of our Prime climate risk framework, alongside more qualitative, analyst-led outputs to materially reduce holdings that, in our view, are more carbon-intensive and exposed to material forward-looking climate risks, without impairing the risk/return characteristics of the portfolios.</p> <p>We are now working closely with interested clients, where appropriate, to develop guidelines that incorporate specific guidance and objectives related to carbon alignment. Understanding the overall alignment of holdings with a net-zero trajectory is increasingly important for many clients – particularly the credibility of transition plans and existing targets. For such portfolios forward planning is essential, particularly as the quality and depth of carbon emissions data is evolving.</p> <p>Taking expected future carbon emissions into consideration is becoming increasingly important when designing the most optimal mix of issuers and bonds to deliver net zero alignment of portfolios. With capital allocation plans and climate regulation developing rapidly, we also think it is important to continue to educate clients and have dedicated significant resources to including a greater focus on climate in our client training sessions and other client interactions. This supported more detailed climate reporting encompassing forward-looking carbon metrics which aim to help clients understand the profile of the investments they are making.</p>

### (B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	Insight Investment's net-zero pledge
(1) Capital allocation activities used	(1) Asset class allocation (2) Sector allocation

(2) Explain through an example

We have engaged with a sovereign-owned investment company with interests in real estate, infrastructure and industry globally. During that time we have seen a significant improvement in the way that the company thinks about climate change, it now reports against the Task Force for Climate-related Financial Disclosures (TCFD) recommendations and recognises climate risk as a principal risk. Now, the company regularly engages with portfolio companies on climate change. However, despite these improvements, reporting remains poor – on financials and on ESG matters.

- We first engaged in 2018 due to a lack of transparent disclosures on climate change. It was not clear how the company takes climate change into consideration when making investment decisions.
- 2019: the company sets a net zero target for its investment portfolio. It also becomes a supporter of the TCFD recommendations (publicly listed on the TCFD website). The company starts working with its portfolio companies on decarbonisation.
- 2021: the company appoints a Chief Sustainability Officer. Key first steps were made to establish baseline carbon footprints and include a climate risk analysis as part of the investment process (including an internal carbon price).
- 2022: Insight held 2 engagements with the company in 2022 to provide feedback on how the company could improve its disclosure of physical and transition risks in line with the TCFD framework. It also highlighted examples of decision-useful ESG metrics the company could start to report.
- 2023: Although the company's climate risk management has improved significantly since 2018, disclosures on portfolio company ESG performance beyond carbon emissions are lacking. Our 2023 engagement focused on providing feedback on what investors are expecting to see in this area.

## STEWARDSHIP WITH INVESTEEES

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

Financial materiality is at the core of our approach to stewardship. A financially material factor is one that is considered relevant to an investment and is likely to have a positive or negative impact on the financial value of that investment. These factors – which include what are commonly referred to as environmental, social and governance (ESG) factors – comprise the mosaic of factors that we believe are relevant for effective financial analysis.

Engagement is an important tool in managing the climate-related risks of our clients' investments and encouraging better practices at investee companies. Engagement on climate-related issues is conducted by both the credit analysts and Responsible Investment Team (and in some cases the portfolio managers), who may use the Prime corporate ESG ratings and Prime climate risk ratings to help identify targets for engagement based off weaknesses vs peers or shortfalls in best practice when it comes to managing risks. We then engage with selected companies directly and sometimes on a collaborative basis alongside other stakeholders.

We also closely monitor the performance of our counterparty banks from a climate perspective and increased this focus in 2023 through our counterparty engagement programme. We have engaged with our core trading counterparties on climate risk management in lending practices and thermal coal exposure, following assessment and benchmarking the responses. We have adopted a similar engagement and escalation process for our counterparty engagement programme. Given its systemic importance, climate change is a thematic component of our engagement programme in 2024, with an initial focus on the issuers that represent the greatest proportion of Insight's total financed emissions (within the assets under management in scope of our net-zero commitment).

(2) Stewardship tools or activities used

(1) Engagement

## Encouraging positive progress at a Canadian bank

### (3) Example

Background: We engaged with a Canadian bank on a number of occasions across 2022 and 2023 as part of our counterparty engagement programme. We identified several areas of underperformance from the counterparty peer benchmarking exercise, including fossil-fuel financing and the bank's impact lending framework. We organised follow up calls to provide a summary of performance and to understand more details. We provided our recommendations in a written report which was sent to the bank in Q4 2022 and we scheduled a follow up engagement in 2023 to understand if the bank had implemented any of our recommendations.

Activity: In the follow-up engagement, we discussed Insight's feedback report in detail.

- We explained to the counterparty that its fossil-fuel financing policy contains many loopholes and is not in line with the International Energy Agency's Net Zero Emissions by 2050 scenario. For example, the policy does not include a coal phase-out date, and the revenue threshold for coal financing is the highest out of all surveyed counterparties. The bank highlighted that it was aware that its policy was weak and this is the something that the bank was actively looking to address. Rather than excluding clients, the focus has primarily been on engagement; however, the bank flagged that it had rejected deals with clients which would negatively impact the bank's power or energy financing target. The bank discloses minimal details on how it engages with clients.

- We discussed the bank's CDP score, which deteriorated from A- to C. We provided targeted recommendations which would help improve the score, including signing up to RE100, a global corporate renewable energy initiative.
- We previously engaged with the bank on its executive remuneration, as we found that these disclosures were vague and the objectives used were qualitative in nature. When we re-engaged with the bank in 2023, the bank revealed that it had linked its executive remuneration to its decarbonisation strategy, which includes its carbon reduction targets. This has strengthened the link, making it clearer and more transparent for stakeholders to understand how that element of remuneration has been achieved.

.Outcome: The bank was receptive to our feedback and has provided good access to management on several occasions. Following the engagements, we sent a written feedback report to the counterparty, which stated it is reviewing the recommendations. We were pleased to see that the bank has linked executive compensation to the strategic priorities listed in its climate strategy. This provides a clearer direction of travel and includes more quantitative measures in the assessment. We will continue to engage to understand progress against our other recommendations. A new counterparty questionnaire will be issued to the bank in 2024.

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### (B) Sustainability Outcome #1:

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(B) Sustainability Outcome #1: Insight Investment's net-zero pledge

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(1) Describe your approach

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(2) Stewardship tools or activities used

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(3) Example

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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.
- (B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.
- (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:

To support our journey towards net zero, we will either actively engage with our highest emitters, or ensure they are on a net zero pathway.

Therefore, we are developing bespoke strategies to engage with the highest emitters within our portfolio on climate-related issues, such as coal exposure and carbon intensity performance. We use our Net Zero Model to identify companies to engage with, as we look to ensure that at least 50% of financed emissions are either net zero, aligned to a net-zero pathway, aligning to a net-zero pathway or subject of engagement with a view to moving into alignment with net zero, by 2023.

Select from the list:

- 1
- 2
- 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	There are many regulatory requirements relating to climate and ESG-related disclosures. We regularly review any proposals to change these requirements, or to introduce new ones, to ensure that we remain compliant. We also seek to engage and take action to influence policy in this area where relevant and appropriate to do so for our clients.
(2) Engagement tools or activities used	(2) We responded to policy consultations (4) We engaged policy makers on our own initiative
(3) Example(s) of policies engaged on	<p>Where use-of-proceeds impact bonds are being considered for impact allocations, we assess them according to our internal framework and assign one of the following ratings: dark green (signifying best-in-class), light green or red (signifying they fail to meet our standards and may be excluded from sustainable investment strategies). In Q4 2022, Insight downgraded the UK government's green gilts from our highest dark green rating, indicating a best-in-class green bond, to a light green rating.</p> <p>This downgrade was communicated directly to the UK DMO. This downgrade reflected our judgement that while green gilts bear many positive sustainability characteristics, recent developments meant we no longer considered them best-in-class. We believe it is important to judge impact bonds in the context of an issuer's overall activities and direction to guard against potential greenwashing. This impact bond rating reflects our view of the green gilt framework from a sustainability perspective and is not a judgement of the financial characteristics of green gilts.</p>

It has no direct implications for investment management unless portfolio guidelines or other specific impact parameters have been set in place. A light green rating would still be considered acceptable for impact allocations in mandates that we operate.

In Q2 2023, Insight engaged with the UK DMO on two occasions as part of our ongoing engagement. Insight raised several sustainability topics including:

- the frequency of impact reporting for green gilts and green-gilt issuance plans;
- the UK's ability to meet its net-zero target given the current policy environment, and the lack of a green industrial policy to support transitioning companies; and
- how uncertainty over institutional investors' fiduciary duty presents challenges for allocations to green gilts.

In Q3 2023, Insight published our latest thoughts on the UK policy environment for net zero and the implications this has for investors.

This was prompted by the government's announcement of delays to key areas of net-zero policy implementation in the residential and transport sectors. We highlighted that climate policy instability is a key source of risk to our clients' net-zero objectives as well as the attractiveness of UK assets to international investors.

For further details please refer to the following link:

<https://www.insightinvestment.com/globalassets/documents/recent-thinking/uk-eu-uk-net-zero-targets.pdf>.

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**(B) Sustainability Outcome #1:**

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(B) Sustainability Outcome #1: Insight Investment's net-zero pledge

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(1) Describe your approach

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(2) Engagement tools or activities used

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(3) Example(s) of policies engaged on

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## 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 (4) Credit rating agencies (6) External service providers (e.g. proxy advisers, investment consultants, data providers) (7) Academia (8) NGOs
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(2) Provide further detail on your engagement	<p>Insight has responded to a number of consultations relating to net zero developments including the below:</p> <ul style="list-style-type: none"> <li>The Glasgow Financial Alliance for Net Zero (GFANZ) consultation on setting frameworks for transition plans for financial institutions. The GFANZ has put forward recommendations and guidance on net zero transition plans for financial institutions which we broadly agree and provided some further thoughts where warranted, for example around asset classes such as derivatives and ABS.</li> <li>The UK Transition Plan Taskforce (TPT) aims to put frameworks and benchmarks in place to help financial institutions and companies in their net zero transition plans. This will include disclosures on how the transition plans are being implemented. We are broadly supportive of this and raised a number of issues related to transition plans including the lack of clarity over interpretation of fiduciary responsibility for UK pension funds.</li> <li>The GFANZ survey on measuring portfolio alignment. The survey seeks information on the approaches currently adopted or preferred by survey respondents on measuring portfolio alignment. In our response, we highlighted that some guidance on reporting of Scope 3 emissions for some asset classes and sectors would be helpful (e.g. real estate, and technology/media/telecoms sector)</li> <li>UK Net Zero Strategy Skidmore Review on UK's transition to net zero environment. We provided a response encouraging government to stay focused on its commitments.</li> </ul>
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## (B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: Insight Investment's net-zero pledge

(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: Climate 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)  
(C) We publicly endorsed the initiative

(3) Provide further detail on your participation in this collaborative initiative

Collaborative engagement across government: participating in a federal engagement as part of the PRI Australia pilot Background: As part of the PRI's collaborative engagement pilot, Insight participated in an engagement with the Australian Office of Financial Management (AOFM) and Treasury focusing on the inaugural federal green bond programme and the government's Sustainable Finance Strategy. Australia was selected for the pilot on the basis of high transition risk, deep and liquid domestic capital markets and renewed climate policy momentum.

Engagement: Insight engaged with the AOFM's Head of Sustainable Finance and the director of the Budget Strategy and Policy department in the Commonwealth Treasury in September 2023 to discuss Australia's intention to develop a green bond framework, issuance of its inaugural green bond in mid-2024; and wider plans regarding climate policy implementation and climate finance.

Three broad themes the programme seeks to address are climate mitigation, resilience and biodiversity restoration. There were differing views from PRI group members on whether proceeds from green issuance should be made available for financing fossil fuel and/or generation 'transition' projects given the risk of greenwashing but also recognising the structural importance of fossil fuels to the Australian economy (although if they were to be included, alignment with the ICMA Transition Finance Handbook or CBI Transition Principles ought to be in place).

Alignment with the Climate Bonds Initiative Taxonomy was also recommended in the absence of the final Australian Sustainable Finance Taxonomy. The Treasury flagged that it could be challenging to prioritise a single, large bond issuance that is at least in line with the 10-year benchmark that PRI group members felt would help manage liquidity challenges in the green bond market. The AOFM indicated that this issuance programme is likely to remain a relatively small share of the upcoming debt issuance. The AOFM and Treasury are exploring the inclusion of critical-minerals development and processing (trade-offs between contribution of these activities to domestic emissions versus their potential contribution to international low-carbon value chains); and concerns that some of these minerals becoming inputs for defence applications that may risk exclusion from ESG-labelled funds. Insight fed back that we would expect to see clear delineation of any minerals projects on the basis of end-use (e.g., green versus defence versus other applications).

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Outcome: Insight has participated in follow-up meetings with the Treasury focusing on implementation of the Sustainable Finance Strategy, plans for whole-of-government climate-related financial disclosure and updates to Australia’s emissions targets under the Paris Agreement. As part of the pilot, we have also participated in engagements with the Department of Industry, Science and Resources; the Department of Climate Change, Energy, the Environment and Water; and national regulatory authorities focusing on whole-of-government implementation of Australia’s climate policy and ongoing development of the revised 2035 emissions reduction plan. The green bond framework for Australia was published in December 2023, and we were pleased to see many elements the collaborative engagement had advocated for reflected in the final framework, in particular a clearly defined use-of-proceeds, tight lookback period and inclusion of nature and biodiversity restoration activities.

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**(B) Initiative #2**

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(1) Name of the initiative	The Institutional Investors Group on Climate Change (IIGCC)
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(2) Indicate how your organisation contributed to this collaborative initiative	(C) We publicly endorsed the initiative
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Insight joined the working group at its launch and has been an active participant on several projects. In 2023, we joined the IIGCC's Sovereign Bonds and Country Pathways Working Group, which will publish a best practice disclosure handbook on net-zero alignment of sovereign bond holdings, taking an active role in drafting a number of chapters. This will complement the recently launched ASCOR assessment framework and outputs from the group will feed into an update to the IIGCC Net Zero Investment Framework to be published in 2024.

(3) Provide further detail on your participation in this collaborative initiative

Outcome: In 2023, the Bondholder Stewardship Working Group published its Net Zero Bondholder Stewardship guidance document which provides guidance for bond investors to enhance their stewardship practices to enable the rapid decarbonisation needed to achieve a net-zero world by 2050. We were an active member of the working group developing the guidance, and contributed input and feedback, including case studies illustrating our approach to bondholder stewardship best practices on several topics. In 2023, we joined the IIGCC's chemicals working group as co-lead investor supporting research and engagement programmes focused on the sector. We participated in quarterly working group meetings focused on progressing guidance and educational resources for investors. We were pleased to publish the Expectations for Chemicals Companies Transition to Net Zero, which was supported by a group of 20 investors and aims to help investors to assess performance of chemicals industry participants.

**(C) Initiative #3**

(1) Name of the initiative

CDP

(2) Indicate how your organisation contributed to this collaborative initiative

(C) We publicly endorsed the initiative

(3) Provide further detail on your participation in this collaborative initiative

In 2023, we expanded our research on water risk by applying a three-stage risk analysis framework to identify companies within Insight portfolios which have high water dependencies, operate in water scarce areas, and have not disclosed water risk assessments for their operations and supply chains. Our analysis aims to evaluate water stewardship disclosures and performance and to support engagement with issuers that we view are misaligned with our expectations for prudent water risk management.

To support our research and develop a larger influence when engaging with companies, we joined the Valuing Water Finance Initiative, a collaborative investor group with over 90 signatories overseeing over \$16 trillion in assets. In 2023, the Valuing Water Finance Initiative published its inaugural benchmark report, which evaluated water stewardship performance for each of the 72 focus companies and within sectors.

Outcome: In 2023, we participated in several Valuing Water Finance Initiative collaborative engagements. As a co-lead investor for the engagement, we acted as the primary contact for coordination with the investors group, defined the strategy for engagement and execute the dialogue with the focus company to develop a long-term relationship and drive positive improvements on water stewardship. We were pleased to see incremental progress with issuers' water stewardship performance and aim to continue our constructive dialogue to influence further improvement.

In 2024, we aim to expand our focus on natural capital to engage with companies on a wider range of material natural capital issues across operations, supply chains, and downstream impacts. A thematic research series throughout 2024 will help inform priority issuers and geographies for engagement.

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**(D) Initiative #4**

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(1) Name of the initiative

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(2) Indicate how your organisation contributed to this collaborative initiative

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(3) Provide further detail on your participation in this collaborative initiative

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# 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) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
  - (H) 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
  - Select from dropdown list:
    - (1) Data assured
    - (2) Processes assured
    - (3) Processes and data assured
- (D) Fixed income

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

Our external auditor KPMG conducts an annual assurance review (SOC1) of Insight's internal processes and controls, including the governance structure that underlines our approach to responsible investment. The review does not explicitly cover Insight's stewardship activities, but it does provide assurance on key investment management controls, including:

- Guideline management
- Proxy voting
- Conflicts of interest

Reflecting on the performance of our controls, and recognising an opportunity to set increasingly high standards, Insight appointed the sustainability services team of a major professional services firm to conduct a readiness assessment of Insight's key stewardship and ESG-related activities, to include proprietary ESG ratings, engagement activity, responsible investment resourcing and management information and key performance indicators (KPIs) including client reporting.

(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

## 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

**(D) Fixed income**

Select from dropdown list:

- (1) Data internally audited
- (2) Processes internally audited
- (3) Processes and data internally audited**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PUBLIC	Internal audit	6

### Provide details of the internal audit process regarding the information submitted in your PRI report.

Internal audits, conducted by BNY, operate on a continual audit plan to conduct engagements throughout the year. This process follows a risk-based audit approach. Each Auditable Entity (e.g., business line or function) is risk- assessed each year to construct the annual Audit Plan, which is approved by the Audit Committee of BNY's Board of Directors. The annual risk-assessment methodology used by the Internal Audit team determines the frequency of audits based on assessed risk. The highest-risk businesses are audited every 18 months, with lower-risk entities being audited between every two and four years. Insight is captured in this process and included in the Audit Plan as appropriate.

The Internal Audit leadership are to consider the most effective way of covering their Auditable Entities, which may include completing a 'vertical' review of a specific business line or process, combining audits of different entities, achieving coverage through audits integrated with specialist teams, or completing thematic, regional or enterprise-wide 'horizontal' reviews [Reads as if someone is telling us how we should do our job – Can you suggest alternative wording please] . Internal Audit uses audit programmes as the basis for its audit work. These programmes cover a wide array of topics, such as compliance with laws, regulations and company policies; specific products; key processes and functions.

The programmes are based on the standards promulgated by the Institute of Internal Auditors.

The comprehensive Auditable Entity listing and detailed Audit Plan supports our stewardship objectives by improving accountability levels across relevant teams and identifying appropriate new or existing resources to allocate.

## 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