



**PUBLIC RI REPORT**

**2021 PILOT**

**WHEB Asset Management**

**Updated 2022-03-09**

# About this report

The PRI Reporting Framework helps to build a common language and industry standard for reporting responsible investment activities. **Public RI Reports** provide accountability and transparency on signatories' responsible investment activities and support dialogue within signatories' organisations, as well as with their clients, beneficiaries and other stakeholders.

This **Public RI Report** is an export of the signatory's responses to the PRI Reporting Framework during the 2021 reporting period. It includes the signatory's responses to mandatory indicators, as well as responses to voluntary indicators that the signatory has agreed to make public.

The information is presented exactly as it was reported. Where an indicator offered a multiple-choice response, all options that were available to select from are included for context. While presenting the information verbatim results in lengthy reports, the approach is informed by signatory feedback that signatories prefer that the PRI does not summarise the information.

## Context

In consultation with signatories, between 2018 and 2020 the PRI extensively reviewed the Reporting and Assessment processes and set the ambitious objective of launching in 2021 a completely new investor Reporting Framework, together with a new reporting tool.

We ran the new investor Reporting and Assessment process as a pilot in its first year, and such process included providing additional opportunities for signatories to provide feedback on the Reporting Framework, the online reporting tool and the resulting reports. The feedback from this pilot phase has been, and is continuing to be analysed, in order to identify any improvements that can be included in future reporting cycles.

## PRI disclaimer

This document presents information reported directly by signatories in the 2021 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.

# Table of Contents

Module/Indicator	Page
Senior Leadership Statement (SLS)	4
Organisational Overview (OO)	10
Investment and Stewardship Policy (ISP)	18
Listed Equity (LE)	63

PROVISIONAL

# Senior Leadership Statement (SLS)

## Senior leadership statement

### Our commitment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S1	CORE	N/A	N/A	PUBLIC	Our commitment	GENERAL

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment?
- What are the main differences between your organisation's approach to responsible investment in its ESG practice and in other practices, across asset classes?



WHEB is a specialist investment manager focused on the opportunities created by the global transition to more sustainable, resource and energy efficient economies. Our mission is to advance sustainability and create prosperity through positive impact investments. This is our unique focus and our entire business is focused on it.

WHEB's investment philosophy is founded on a belief that the global economy is in the early stages of a transition to a zero carbon and more sustainable economy. We believe that businesses that enable this transition through the products and services that they supply will also benefit from the transition as they will see growing demand for their products and services. Our approach to sustainable and responsible investment is to integrate sustainability into our assessment both what a company does, as well as how they do it. This includes the nature and impact of the products and services that a company supplies ('what' a company does). It also includes the integration of critical environmental, social and governance factors into the analysis of a company's operations and management ('how' they do it). By addressing sustainability across both of these dimensions, we believe we generate a more complete assessment of a company's approach and position on the critical social and environmental issues facing its business.

Our own business is based on a common philosophy and culture that is focused on:

- Identifying and investing in solutions to society's pressing environmental and social challenges;
- Applying a long-term, research-based investment approach to uncover areas of value;
- Being transparent about our policies and systems and prepared to challenge the status-quo of the investment world; and,
- Providing clients with the best possible service and support.

There are no differences between our organisation's approach to responsible investment in our 'ESG practice' and the rest of the business because the approach described above covers all of the different investment strategies and fund structures offered by WHEB Asset Management.

## Annual overview

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S2	CORE	N/A	N/A	PUBLIC	Annual overview	GENERAL

- 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. This might involve e.g. outlining your single most important achievement, or describing your general progress, on topics such as the following:
  - refinement of ESG analysis and incorporation
  - stewardship activities with investees and/or with policy makers
  - collaborative engagements
  - attainment of responsible investment certifications and/or awards

In the course of 2020, we made significant progress in how we assess and integrate positive impact into our investment process. For example, we developed and published the methodology for our ‘impact engine’ tool. The impact engine methodology for is used to assessing the positive impact ‘intensity’ of products and services offered by listed companies across different themes in a systematic way. We are not aware of any other asset management business that uses and publishes such a methodology and believe that this approach represents international best practice for integrating impact into investment decision-making in listed equities. We have assessed our portfolio using this methodology and have published the summary results on our website. This assessment complements the work that we have done for many years to integrate environmental, social and governance (ESG) analysis into our investment decisions.

We continue to engage proactively across much of our portfolio including setting specific and measurable targets in areas such as carbon emissions and gender diversity. The ambition of this engagement has been significantly increased in line with wider commitments made by WHEB in the course of 2020. For instance, we became a founding member of the Net Zero Asset Managers Initiative in December 2020. We have also been a leading contributor to the ‘climate solutions’ work of the IIGCC as part of the Paris Aligned Investment Initiative and have served as a member of Technical committees supporting the work of the British Standards Institute (BSI) in developing specifications on sustainable finance.

With a more concentrated portfolio and increased resource, we have also initiated collaborative work with other investors to accelerate progress at investee companies. This work covers a number of different holdings in our portfolio and includes collaborative engagements that we initiated and led as well as collaborating with broader coalitions of investors (eg CA 100+). We have been very pleased to have had our efforts recognised both through independent review of our methodologies as well as through several industry awards. This has included a successful peer-review process of our impact calculator methodology by the Carbon Trust. We have also won several awards this year including winner of the Boutique investment manager of the year award at Environmental Finance’s sustainable investment awards, Outstanding achievement in sustainable and ESG investing at Investment Week’s annual awards and winner of best Impact report at the Pensions for Purpose awards.

## Next steps

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S3	CORE	N/A	N/A	PUBLIC	Next steps	GENERAL

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

We plan to have the ‘impact engine’ methodology critiqued by external consultants with a view to strengthening the tool. We will publish any changes to the methodology on our website. We aim to continue to increase the intensity of positive impact offered in aggregate by the portfolio.

We have committed to improve the carbon profile of the portfolio under the NZAMI and Paris-Aligned Investor Initiatives. We are also deploying additional resources in our investment team to conduct more extensive engagement with portfolio companies, policy makers and standard setters. This will involve work with progressive networks and coalitions of investors and other stakeholders to develop robust standards and frameworks that support high-levels of ambition around sustainable and responsible investing.

## Endorsement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S4	CORE	N/A	N/A	PUBLIC	Endorsement	GENERAL

**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

George Latham

Position

Managing Partner

Organisation's name

WHEB Asset Management LLP

● This endorsement is for the Senior Leadership Statement only and is not an endorsement of the information reported in the various modules of the Reporting Framework. The Senior Leadership Statement is simply provided as a general overview of our responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such, and 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.

○ [Free text: Up to 2,000 characters (~300 words)]

# Organisational Overview (OO)

## Organisational information

### Categorisation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	Signatory category	Multiple, see guidance	PUBLIC	Categorisation	GENERAL

Select the type that best describes your organisation or the services you provide.

(O) Fund management

(1) This is our only (or primary) type

### 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 that are also PRI signatories in their own right?

☐ (A) Yes

☒ (B) No

### Reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 3	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

Indicate the year-end date for your reporting year.

Month

Reporting year end date:

December

Day

Reporting year end date:

31

Year

Reporting year end date:

2020

## Assets under management

### All asset classes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 4.1, OO 4.2	N/A	PUBLIC	All asset classes	GENERAL

What were your total assets under management (AUM) at the end of the indicated reporting year? Provide the amount in USD.

(A) AUM of your organisation,  
including subsidiaries

US\$ 1,477,205,476.00

(B) AUM of subsidiaries that are  
PRI signatories in their own right  
and excluded from this submission

US\$ 0.00

(C) AUM subject to execution,  
advisory, custody, or research  
advisory only

US\$ 0.00



## Asset breakdown

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

**Provide a percentage breakdown of your total assets under management at the end of your indicated reporting year.**

	Percentage of AUM
(A) Listed equity – internal	100.0%
(B) Listed equity – external	0.0%
(C) Fixed income – internal	0.0%
(D) Fixed income – external	0.0%
(E) Private equity – internal	0.0%
(F) Private equity – external	0.0%
(G) Real estate – internal	0.0%
(H) Real estate – external	0.0%
(I) Infrastructure – internal	0.0%
(J) Infrastructure – external	0.0%
(K) Hedge funds – internal	0.0%

(L) Hedge funds – external	0.0%
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(M) Forestry – internal	0.0%
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(N) Forestry – external	0.0%
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(O) Farmland – internal	0.0%
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(P) Farmland – external	0.0%
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(Q) Other – internal, please specify:	0.0%
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(R) Other – external, please specify:	0.0%
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(S) Off-balance sheet – internal	0.0%
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(T) Off-balance sheet – external	0.0%
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## ESG strategies

### Listed equity

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6 LE	CORE	OO 5.2 LE	OO 6.1 LE, LE 13	PUBLIC	Listed equity	1

Which ESG incorporation strategy and/or combination of strategies do you apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity:

(A) Screening alone	0.0%
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(B) Thematic alone	0.0%
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(C) Integration alone	0.0%
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(D) Screening and integration	0.0%
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(E) Thematic and integration	0.0%
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(F) Screening and thematic	0.0%
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(G) All three strategies combined	100.0%
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(H) None	0.0%
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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6.1 LE	CORE	OO 6 LE	LE 8	PUBLIC	Listed equity	1

**What type of screening is applied to your internally managed active listed equity assets?**

**Percentage coverage out of your total listed equities where screening strategy is applied**

(A) Positive/best-in-class screening only	100.0%
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(B) Negative screening only	0.0%
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(C) A combination of positive/best-in-class and negative screening	0.0%
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# Stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 LE	CORE	OO 5, OO 5.2 LE	Multiple, see guidance	PUBLIC	Listed equity	2

Does your organisation conduct stewardship activities for your listed equity assets?

	(1) Engagement on listed equity – active	(3) (Proxy) voting on listed equity – active
(A) Through service providers	<input type="checkbox"/>	<input type="checkbox"/>
(C) Through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Collaboratively	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(E) We did not conduct this stewardship activity	<input type="checkbox"/>	<input type="checkbox"/>

# ESG incorporation

## Internally managed assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Internally managed assets	1

For each internally managed asset class, select whether or not you incorporate ESG into your investment decisions.

(1) ESG incorporated into investment decisions

(2) ESG not incorporated into investment decisions

(C) Listed equity – active – fundamental



## Voluntary reporting

### Voluntary modules

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 14	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Voluntary modules	GENERAL
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The following modules are mandatory to report on as they account for 10% or more of your total AUM or are over USD 10 billion. The ISP (Investment and Stewardship Policy) module is always applicable for reporting.

(1) Yes, report on the module

ISP: Investment and Stewardship Policy



(A) Listed equity



## ESG/sustainability funds and products

### Labelling and marketing

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 16	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Labelling and marketing	GENERAL
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What percentage of your assets under management in each asset class are ESG/sustainability marketed funds or products, and/or ESG/RI certified or labelled assets? Percentage figures can be rounded to the nearest 5% and should combine internally and externally managed assets.

Percentage	
(B) Listed equity – active	100.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16.1	CORE	OO 16	ISP 52	PUBLIC	Labelling and marketing	GENERAL

What percentage of your total assets (per asset class) carry a formal ESG/RI certification or label? Percentage figures can be rounded to the nearest 5%.

Coverage of ESG/RI certification or label:	
(A) Listed equity	100.0%

## Climate investments

### Asset breakdown

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17	CORE	N/A	N/A	PUBLIC	Asset breakdown	GENERAL

What percentage of your assets under management is in targeted low-carbon or climate-resilient investments?





# Investment and Stewardship Policy (ISP)

## Responsible investment policy & governance

### Responsible investment policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1	CORE	N/A	ISP 1.1, ISP 1.2	PUBLIC	Responsible investment policy	1

Does your organisation have a formal policy or policies covering your approach to responsible investment? Your approach to responsible investment may be set out in a standalone guideline, covered in multiple standalone guidelines or be part of a broader investment policy. Your policy may cover various responsible investment elements such as stewardship, ESG guidelines, sustainability outcomes, specific climate-related guidelines, RI governance and similar.

- ☒ (A) Yes, we do have a policy covering our approach to responsible investment  
☐ (B) No, we do not have a policy covering our approach to responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1.1	CORE	ISP 1	Multiple, see guidance	PUBLIC	Responsible investment policy	1

What elements does your responsible investment policy cover? The responsible investment elements may be set out in one or multiple standalone guidelines, or they may be part of a broader investment policy.

- ☒ (A) Overall approach to responsible investment  
☒ (B) Guidelines on environmental factors  
☒ (C) Guidelines on social factors  
☒ (D) Guidelines on governance factors  
☒ (E) Approach to stewardship  
☒ (F) Approach to sustainability outcomes  
☒ (G) Approach to exclusions

- ☒ (H) Asset class-specific guidelines that describe how ESG incorporation is implemented
- ☒ (I) Definition of responsible investment and how it relates to our fiduciary duty
- ☒ (J) Definition of responsible investment and how it relates to our investment objectives
- ☒ (K) Responsible investment governance structure
- ☒ (L) Internal reporting and verification related to responsible investment
- ☒ (M) External reporting related to responsible investment
- ☒ (N) Managing conflicts of interest related to responsible investment
- ☐ (O) Other responsible investment aspects not listed here, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 2	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	6

Indicate which of your responsible investment policy elements are publicly available and provide links.

- ☒ (A) Overall approach to responsible investment. Add link(s):  
<https://www.whebgroupp.com/media/2021/02/20210209-RI-Policy.pdf>
- ☒ (B) Guidelines on environmental factors. Add link(s):  
<https://www.whebgroupp.com/media/2021/02/20210209-RI-Policy.pdf>
- ☒ (C) Guidelines on social factors. Add link(s):  
<https://www.whebgroupp.com/media/2021/02/20210209-RI-Policy.pdf>
- ☒ (D) Guidelines on governance factors. Add link(s):  
<https://www.whebgroupp.com/media/2021/02/20210209-RI-Policy.pdf>
- ☒ (E) Approach to stewardship. Add link(s):  
<https://www.whebgroupp.com/media/2021/02/202102-Stewardship-and-engagement-policy.pdf>
- ☒ (F) Approach to sustainability outcomes. Add link(s):  
<https://impact.whebgroupp.com/impact-reports/>

- ☐ (G) Approach to exclusions. Add link(s):
- ☐ (H) Asset class-specific guidelines that describe how ESG incorporation is implemented. Add link(s):
- ☒ (I) **Definition of responsible investment and how it relates to our fiduciary duty. Add link(s):**  
<https://www.whebgroup.com/media/2021/02/20210209-RI-Policy.pdf>
- ☒ (J) **Definition of responsible investment and how it relates to our investment objectives. Add link(s):**  
<https://www.whebgroup.com/media/2021/02/20210209-RI-Policy.pdf>
- ☒ (K) **Responsible investment governance structure. Add link(s):**  
<https://www.whebgroup.com/investment-strategy/fund-governance/>
- ☒ (L) **Internal reporting and verification related to responsible investment. Add link(s):**  
<https://www.whebgroup.com/investment-strategy/fund-governance/investment-advisory-committee-minutes/>
- ☒ (M) **External reporting related to responsible investment. Add link(s):**  
<https://www.whebgroup.com/investment-strategy/fund-governance/> <https://www.whebgroup.com/investment-strategy/fund-options/fp-wheb-sustainability-fund/> <https://impact.whebgroup.com/impact-reports/>
- ☒ (N) **Managing conflicts of interest related to responsible investment. Add link(s):**  
<https://www.whebgroup.com/media/2021/02/20210209-RI-Policy.pdf>
- ☐ (P) Our responsible investment policy elements are not publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 3	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	1

What percentage of your total assets under management are covered by your policy elements on overall approach to responsible investment and/or guidelines on environmental, social and governance factors?

- ☐ (A) Overall approach to responsible investment
- ☐ (B) Guidelines on environmental factors
- ☐ (C) Guidelines on social factors
- ☐ (D) Guidelines on governance factors

AUM coverage of all policy elements in total:

100.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 4	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	1

Which elements does your exclusion policy include?

- ☒ (A) Legally required exclusions (e.g. those required by domestic/international law, bans, treaties or embargoes)
- ☒ (B) Exclusions based on our organisation's values or beliefs (e.g. regarding weapons, alcohol, tobacco and/or avoiding other particular sectors, products, services or regions)
- ☐ (C) Exclusions based on screening against minimum standards of business practice based on international norms (e.g. OECD guidelines, the UN Human Rights Declaration, Security Council sanctions or the UN Global Compact)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 5	CORE	Multiple, see guidance	N/A	PUBLIC	Responsible investment policy	1

What percentage of your total assets under management are covered by your asset class-specific guidelines that describe how ESG incorporation is implemented?

AUM Coverage:

(A) Listed Equity

100.0%

## Governance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 6	CORE	N/A	ISP 8	PUBLIC	Governance	1

Do your organisation's board, chief-level staff, investment committee and/or head of department have formal oversight and accountability for responsible investment?

- ☒ (A) Board and/or trustees
- ☒ (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))
- ☒ (C) Investment committee
- ☐ (D) Other chief-level staff, please specify:
- ☒ (E) Head of department, please specify department:  
Head of Research
- ☐ (F) None of the above roles have oversight and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 7	CORE	N/A	ISP 8	PUBLIC	Governance	1

**In your organisation, which internal or external roles have responsibility for implementing responsible investment?**

- ☐ (A) Board and/or trustees
- ☒ (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))
- ☒ (C) Investment committee
- ☐ (D) Other chief-level staff [as specified]
- ☒ (E) Head of department [as specified]
- ☒ (F) Portfolio managers
- ☒ (G) Investment analysts
- ☒ (H) Dedicated responsible investment staff
- ☒ (I) Investor relations
- ☒ (J) External managers or service providers
- ☐ (K) Other role, please specify:
- ☐ (L) Other role, please specify:
- ☐ (M) We do not have roles with responsibility for implementing responsible investment.

## People and capabilities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8	CORE	ISP 6, ISP 7	ISP 8.1, ISP 8.2	PUBLIC	People and capabilities	General
<b>What formal objectives for responsible investment do the roles in your organisation have?</b>						
		(1) Board and/or trustees	(2) Chief-level staff	(3) Investment committee		
(A) Objective for ESG incorporation in investment activities		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
(B) Objective for contributing to the development of the organisation's ESG incorporation approach		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
(D) Objective for ESG performance		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
(E) Other objective related to responsible investment [as specified]		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
(F) Other objective related to responsible investment [as specified]		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		



(G) No formal objectives for responsible investment exist for this role	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	(5) Head of department [as specified]	(6) Portfolio managers	(7) Investment analysts
(A) Objective for ESG incorporation in investment activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Objective for contributing to the development of the organisation's ESG incorporation approach	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Objective for ESG performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) No formal objectives for responsible investment exist for this role	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	(8) Dedicated responsible investment staff	(9) Investor relations	(10) External managers or service providers
(A) Objective for ESG incorporation in investment activities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) Objective for contributing to the development of the organisation's ESG incorporation approach	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(D) Objective for ESG performance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) No formal objectives for responsible investment exist for this role	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please specify for "(E) Other objective related to responsible investment".

The investor relations (business development) team are set objectives related to becoming a product specialist and communication of WHEB's single investment strategy. This includes developing the ability to articulate the strategy in a sophisticated way, so as to contribute to the conversation with WHEB's clients.

We have now set suppliers the objective of helping us achieve net zero carbon emissions by 2025.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8.2	CORE	ISP 8	N/A	PUBLIC	People and capabilities	General

**Which responsible investment objectives are linked to variable compensation for roles in your organisation?**

**RI objectives linked to variable compensation for roles in your organisation:**

**(1) Board and/or trustees**

(A) Objective for ESG incorporation in investment activities



(B) Objective for contributing to the development of the organisation's ESG incorporation approach



**(2) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))**

(A) Objective for ESG incorporation in investment activities



(B) Objective for contributing to the development of the organisation's ESG incorporation approach



(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)



(D) Objective for ESG performance



### **(3) Investment committee**

(A) Objective for ESG incorporation in investment activities ☒

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(D) Objective for ESG performance ☒

### **(5) Head of department**

(A) Objective for ESG incorporation in investment activities ☒

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(D) Objective for ESG performance ☒

### **(6) Portfolio managers**

(A) Objective on ESG incorporation in investment activities ☒

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(D) Objective for ESG performance ☒

#### **(7) Investment analysts**

(A) Objective for ESG incorporation in investment activities ☒

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(D) Objective for ESG performance ☒

#### **(8) Dedicated responsible investment staff**

(A) Objective for ESG incorporation in investment activities ☒

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(D) Objective for ESG performance ☒

#### **(9) Investor relations**

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☐

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(E) Other objective related to responsible investment (as specified in ISP 8 option E) ☒

#### **(10) External managers or service providers**

(E) Other objective related to responsible investment (as specified in ISP 8 option E) ☒

(G) We have not linked any RI objectives to variable compensation ☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 9	CORE	N/A	N/A	PUBLIC	People and capabilities	General

How frequently does your organisation assess the responsible investment capabilities and training needs among your investment professionals?

- ☒ (A) Quarterly or more frequently
- ☐ (B) Bi-annually
- ☐ (C) Annually
- ☐ (D) Less frequently than annually
- ☐ (E) On an ad hoc basis
- ☐ (F) We do not have a process for assessing the responsible investment capabilities and training needs among our investment professionals

## Strategic asset allocation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 10	CORE	N/A	ISP 10.1	PUBLIC	Strategic asset allocation	1

Does your organisation incorporate ESG factors into your strategic asset allocation?

- ☐ (A) We incorporate ESG factors into calculations for expected risks and returns of asset classes
- ☐ (B) We specifically incorporate physical, transition and regulatory changes related to climate change into calculations for expected risks and returns of asset classes
- ☐ (C) No, we do not incorporate ESG considerations into our strategic asset allocation
- ☒ (D) Not applicable, we do not have a strategic asset allocation process



# Stewardship

## Stewardship policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 11	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship policy	2

What percentage of your assets under management does your stewardship policy cover?

(A) Listed equity 100.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 12	CORE	ISP 1.1	ISP 12.1	PUBLIC	Stewardship policy	2

Which elements does your organisation's stewardship policy cover? The policy may be a standalone guideline or part of a wider RI policy.

- ☒ (A) Key stewardship objectives
- ☒ (B) Prioritisation approach of ESG factors and their link to engagement issues and targets
- ☒ (C) Prioritisation approach depending on entity (e.g. company or government)
- ☒ (D) Specific approach to climate-related risks and opportunities
- ☒ (E) Stewardship tool usage across the organisation, including which, if any, tools are out of scope and when and how different tools are used and by whom (e.g. specialist teams, investment teams, service providers, external investment managers or similar)
- ☒ (F) Stewardship tool usage for specific internal teams (e.g. specialist teams, investment teams or similar)
- ☐ (G) Stewardship tool usage for specific external teams (e.g. service providers, external investment managers or similar)
- ☒ (H) Approach to collaboration on stewardship
- ☒ (I) Escalation strategies
- ☒ (J) Conflicts of interest
- ☒ (K) Details on how the stewardship policy is implemented and which elements are mandatory, including how and when the policy can be overruled

- ☒ (L) How stewardship efforts and results should be communicated across the organisation to feed into investment decision-making and vice versa
- ☐ (M) None of the above elements are captured in our stewardship policy

## Stewardship policy implementation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 13	CORE	ISP 1.1	N/A	PUBLIC	Stewardship policy implementation	2

How is your stewardship policy primarily applied?

- ☒ (A) It requires our organisation to take certain actions
- ☐ (B) It describes default actions that can be overridden (e.g. by investment teams for certain portfolios)
- ☐ (C) It creates permission for taking certain measures that are otherwise exceptional
- ☐ (D) We have not developed a uniform approach to applying our stewardship policy

## Stewardship objectives

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 15	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship objectives	2

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

(1) Listed equity

(A) Maximise the risk-return profile of individual investments

☐

(B) Maximise overall returns across the portfolio

☐

(C) Maximise overall value to beneficiaries/clients

☒

(D) Contribute to shaping specific sustainability outcomes (i.e. deliver impact)

## Stewardship prioritisation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 16	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship prioritisation	2

What key criteria does your organisation use to prioritise your engagement targets? For asset classes such as real estate, private equity and infrastructure, you may consider this as key criteria to prioritise actions taken on ESG factors for assets, portfolio companies and/or properties in your portfolio. Select up to 3 options per asset class from the list.

### (1) Listed equity

(A) The size of our holdings in the entity or the size of the asset, portfolio company and/or property

☐

(B) The materiality of ESG factors on financial and/or operational performance

☒

(C) Specific ESG factors with systemic influence (e.g. climate or human rights)

☒

(D) The ESG rating of the entity

☐

(E) The adequacy of public disclosure on ESG factors/performance

☐

(F) Specific ESG factors based on input from clients

☐

(G) Specific ESG factors based on input from beneficiaries

☐

(H) Other criteria to prioritise engagement targets, please specify:

☒

(I) We do not prioritise our engagement targets

☐

Please specify for "(H) Other criteria to prioritise engagement targets".

Our engagement is typically structured as proactive initiatives aimed at helping portfolio companies address long-term ESG issues typically not prioritised by management. Issues may be specific to the business or may affect whole sectors and/or companies in our investment universe. The aim is to get the company to better manage these issues in advance of them becoming critical. We also undertake 'reactive' engagement in response to specific emergent issues at individual companies.

## Collaborative stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 18	CORE	Multiple, see guidance	ISP 18.1	PUBLIC	Collaborative stewardship	2

Which of the following best describes your organisation's default position, or the position of the service providers/external managers acting on your behalf, with regards to collaborative stewardship efforts such as collaborative engagements?

- (A) We recognise that stewardship suffers from a collective action problem, and, as a result, we actively prefer collaborative efforts
- (B) We collaborate when our individual stewardship efforts have been unsuccessful or are likely to be unsuccessful, i.e. as an escalation tool
- (C) We collaborate in situations where doing so would minimise resource cost to our organisation
- (D) We do not have a default position but collaborate on a case-by-case basis

- (E) We generally do not join collaborative stewardship efforts

## Escalation strategies

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 20	CORE	Multiple, see guidance	N/A	PUBLIC	Escalation strategies	2

**If initial stewardship approaches were deemed unsuccessful, which of the following measures are excluded from the potential escalation actions of your organisation or those of the service providers/external managers acting on your behalf?**

### (1) Listed equity

(A) Collaboratively engaging the entity with other investors ☐

(B) Filing/co-filing/submitting a shareholder resolution or proposal ☐

(C) Publicly engaging the entity (e.g. open letter) ☐

(D) Voting against the re-election of one or more board directors ☐

(E) Voting against the chair of the board of directors ☐

(F) Voting against the annual financial report ☐

(G) Divesting or implementing an exit strategy ☐

(H) We do not have any restrictions on the escalation measures we can use



## Engaging policymakers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23	CORE	N/A	Multiple, see guidance	PUBLIC	Engaging policymakers	2

How does your organisation, or the external investment managers or service providers acting on your behalf, engage with policymakers for a more sustainable financial system?

- ☒ (A) We engage with policymakers directly
- ☒ (B) We provide financial support, are members of and/or are in another way affiliated with third-party organisations, including trade associations and non-profit organisations, that engage with policymakers
- ☐ (C) We do not engage with policymakers directly or indirectly

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23.1	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers	2

What methods do you, or the external investment managers or service providers acting on your behalf, use to engage with policymakers for a more sustainable financial system?

- ☒ (A) We participate in "sign-on" letters on ESG policy topics. Describe:

We are active members of several responsible investor coalitions including the IIGCC, PRI, UKSIF and CA100+. These groups have various public policy initiatives aimed at engaging with and influencing policy makers. We routinely participate in signing letters that are prepared by these groups as well as with less formal coalitions of investors and other stakeholders. In 2020 this has included working with the IIGCC, we wrote a letter to European Commissioners encouraging the Commission to develop a specific legislative instrument to reduce methane emissions. This included developing a standard that limits the amount of methane that can be emitted in upstream oil and gas operations as a requirement for EU market access

Additionally, it has included letters to both the EU and the UK governments to encourage them to ensure that public policies aimed at fostering economic activity in the wake of the COVID-19 pandemic have sustainability at their heart. The letter to the EU leaders was signed by over one hundred investors managing over €10 trillion in assets. The letter to the UK's Prime Minister involved investors as well as the leading businesses as part of the UK Business Group Alliance for Net Zero. We received a response from Alok Sharma the Secretary of State for Business, Energy and Industrial Strategy (BEIS) thanking us and confirming that the UK government sees a green recovery as consistent with their ambition to create jobs.

- ☒ (B) We respond to policy consultations on ESG policy topics. Describe:



In the past few years there has been a noticeable acceleration in regulatory and wider public policy initiatives on sustainable finance. WHEB has been an active contributor to many of these formal consultation exercises. This has included working unilaterally on policy responses direct to regulators and public policy bodies as well as working in collaboration with other investors through joint responses. WHEB has for example provided input to European Commission consultations on the EU Taxonomy as well as on SFDR. We have also provided input to the UK Government including the Financial Reporting Council on new initiatives on sustainable finance in the UK. This has included direct feedback as well as feeding into responses from groups such as UKSIF and the IIGCC.

☒ (C) We provide technical input on ESG policy change. Describe:

In addition to the input that we have provided through endorsing letters coordinated through by collective investor initiatives and direct responses to consultations, we have also fed into a broader standard setting initiatives including through the work of the British Standards Institute. Seb Beloe has been an expert participant on the Technical Committees developing PAS 7340 and 7342. In addition WHEB provided a response to the public consultation on PAS7341.

More generally, WHEB has supplied briefings on various aspects of the ESG agenda including on sustainability reporting, the EU Taxonomy and other aspects of policy on sustainable finance through events and webinars organised by the industry and involved regulators. This has included events organised by Responsible Investor, Edie and responsible investor associations in different geographies around the world, such as RIAA in Australia.

☒ (D) We proactively engage financial regulators on financial regulatory topics regarding ESG integration, stewardship, disclosure or similar. Describe:

We have engaged with financial regulators such as the FRC to share our views on stewardship activities and reporting. This has primarily been in connection with the updated Stewardship Code that has been launched in the UK. Beyond this we have also discussed wider aspects of sustainability in finance. This includes through direct contact as well as through engagement as co-member of Technical Committees (eg with the BSI).

☐ (E) We proactively engage regulators and policymakers on other policy topics. Describe:

☒ (F) Other methods used to engage with policymakers. Describe:

Beyond direct engagement, WHEB has participated in a range of online fora over the year where we have shared our perspective on a wide range of issues of relevance to the regulator. This has included our views on the need for more principles-based regulation in disclosures and in sustainable finance standards. We have participated in on-line conferences organised by groups such as the Sustainable Investment Academy and Responsible Investor and we publish regular opinion pieces on our website on a wide variety of sustainable investment topics. Sustainable investment is the core focus of these publications. These frequently reference regulatory and standard-based initiatives (see <https://www.whebgroup.com/news-views/wheb-insights/>).

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23.2	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers	2

**Do you have governance processes in place (e.g. board accountability and oversight, regular monitoring and review of relationships) that ensure your policy activities, including those through third parties, are aligned with your position on sustainable finance and your commitment to the 6 Principles of the PRI?**

● (A) Yes, we have governance processes in place to ensure that our policy activities are aligned with our position on sustainable finance and our commitment to the 6 Principles of the PRI. Describe your governance processes:

WHEB's policy activities are coordinated and primarily undertaken by Seb Beloe, Partner and Head of Research. Seb consults with the other members of WHEB's Senior Management Team to ensure that policy positions taken by WHEB are consistent and support the development of strong and effective standards and regulations that will, in WHEB's view, support high standards of sustainable finance. We publicly disclose all of networks (including public policy networks) of which we are apart and believe these are all consistent with efforts to establish demanding standards for sustainable finance (see <https://www.whebgroupp.com/about-us/industry-networks/>).

○ (B) No, we do not have these governance processes in place. Please explain why not:

## Engaging policymakers – Policies

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 24	CORE	ISP 23	ISP 24.1	PUBLIC	Engaging policymakers – Policies	2

**Do you have policies in place that ensure that your political influence as an organisation is aligned with your position on sustainable finance and your commitment to the 6 Principles of the PRI?**

● (A) Yes, we have a policy(ies) in place. Describe your policy(ies):

Yes we do have a range of policies that ensure our public policy activities are aligned with the principles of the PRI. This includes, among other things, a commitment to 'undertake policy advocacy in support of achieving net zero carbon emissions by 2050 at the latest'. Beyond this, we have also discussed our public policy activities with our independent Investment Advisory Committee. This discussion focused on how WHEB prioritises different public policy activities and includes a commitment to work to create a 'strong narrative to 'normalise' positive impact investing' by working with standard setters and regulators to help shape market norms. WHEB is a member of a variety of progressive networks that are focused on accelerating the shift to a zero carbon and more sustainable economy. These groups are listed on our website at <https://www.whebgroupp.com/about-us/industry-networks/>

We are not members of any networks that are not aligned with us on our commitment to sustainable finance.

○ (B) No, we do not a policy(ies) in place. Please explain why not:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 24.1	CORE	ISP 24	N/A	PUBLIC	Engaging policymakers – Policies	2

**Is your policy that ensures alignment between your political influence and your position on sustainable finance publicly disclosed?**

● (A) Yes. Add link(s):

<https://www.whebgroup.com/about-us/industry-networks/> ; <https://www.whebgroup.com/wheb-is-proud-to-be-a-founding-member-of-the-net-zero-asset-managers-initiative/>

- (B) No, we do not publicly disclose this policy(ies)

## Engaging policymakers – Transparency

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 25	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers – Transparency	2

During the reporting year, did your organisation publicly disclose your policy engagement activities or those conducted on your behalf by external investment managers/service providers?

☒ (A) We publicly disclosed details of our policy engagement activities. Add link(s):

We report this under 'Public Policy Initiatives' in the Engagement section of our Quarterly Reports:  
<https://www.whebgroup.com/investment-strategy/fund-options/fp-wheb-sustainability-fund/quarterly-reports/>

☒ (B) We publicly disclosed a list of our third-party memberships in or support for trade associations, think-tanks or similar that conduct policy engagement activities with our support or endorsement. Add link(s):

<https://www.whebgroup.com/about-us/industry-networks/>

☐ (C) No, we did not publicly disclose our policy engagements activities during the reporting year. Explain why:

☐ (D) Not applicable, we did not conduct policy engagement activities

## Climate change

### Public support

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 26	CORE	N/A	N/A	PUBLIC	Public support	General

Does your organisation publicly support the Paris Agreement?

☒ (A) Yes, we publicly support the Paris Agreement Add link(s) to webpage or other public document/text expressing support for the Paris Agreement:

<https://www.whebgroup.com/wheb-is-proud-to-be-a-founding-member-of-the-net-zero-asset-managers-initiative/>

- (B) No, we currently do not publicly support the Paris Agreement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 27	CORE	N/A	N/A	PUBLIC	Public support	General

#### Does your organisation publicly support the Task Force on Climate-Related Financial Disclosures (TCFD)?

☒ (A) Yes, we publicly support the TCFD Add link(s) to webpage or other public document/text expressing support for the TCFD:

WHEB has been a leader in addressing climate change within the investment community. In 2016 we were among the first asset managers to report in-line with guidance from the Taskforce on Climate-related Financial Disclosures (TCFD). Our TCFD statement can be found on pages 26-28 of our 2016 Impact Report at <https://impact.whebgroup.com/media/2020/06/WHEB-Impact-Report-2016-1.pdf>

- (B) No, we currently do not publicly support the TCFD

## Governance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 28	CORE	N/A	N/A	PUBLIC	Governance	General

#### How does the board or the equivalent function exercise oversight over climate-related risks and opportunities?

☒ (A) By establishing internal processes through which the board or the equivalent function are informed about climate-related risks and opportunities. Specify:

WHEB Asset Management is structured as an English Limited Liability Partnership (LLP). The Senior Management Team of WHEB Asset Management has ownership of WHEB Asset Management alongside WHEB Group. The Senior Management Team (SMT) comprises George Latham (Managing Partner), Ted Franks (Fund Manager), Seb Beloe (Head of Research), and Geoff Hall (Non-Executive Chairman). The principal objective of the firm's single strategy is to invest in companies that are enabling and benefiting from the transition to a zero carbon and more sustainable economy. Three of the four SMT members are actively involved in a day to day capacity in assessing and understanding climate related risks and opportunities.

These insights are brought directly to the SMT where climate change is an integral part of discussions of the team and feature regularly as part of deliberations on the strategic outlook for the business. The vast majority of this discussion is focused on transition risks and opportunities for the WHEB business and in particular changing appetites among asset owners and other investors for investment strategies that focus on sustainability.

☒ (B) By articulating internal/external roles and responsibilities related to climate. Specify:

From its inception, WHEB's investment strategy was designed to avoid the transition risks associated with climate change. As the entire business is focused on sustainable and impact investing, the whole team and especially the three partners and the investment team, are responsible for implementing the strategy's objective and ESG considerations in which climate is a significant factor. Seb Beloe, Head of Research and Partner, oversees the ESG analysis, engagement, and voting, all of which have a strong focus on climate-related risks and opportunities.

Each employee in WHEB's team is provided with agreed upon KPIs which are bespoke to each role and designed to align remuneration with outcomes for clients. KPIs for investment team colleagues include the performance of the fund over one and five years alongside other measures of impact and sustainable investment outcomes.

Seb Beloe, Head of Research and Partner, oversees the ESG analysis, engagement, and voting. Under the firm's Net Zero Carbon policy covering operational emissions, the Senior Management Team also oversee contract negotiations with suppliers to include a requirement to measure and report greenhouse gas (GHG) emissions wherever possible. This policy states that, over time, our contractual commitments will require a progressive reduction in GHG emissions from suppliers in-line with accepted science.

☒ **(C) By engaging with beneficiaries to understand how their preferences are evolving with regard to climate change. Specify:**

The Senior Management Team (SMT) is heavily involved with business development and client relationship management activities across the business. This includes regular communications with prospective and existing clients and individual update meetings at WHEB offices or investor offices on request, quarterly update webinars, annual investor conference, annual investor Christmas tea, speaking and presenting at other conferences on the fund and issues around sustainable investing and impact. These events provide many opportunities for the SMT to speak directly to investors and understand their needs and preferences around climate change.

Indirectly, the SMT's involvement with industry networks and associations focused on sustainable investing and public policy issues provides an insight into broader societal preferences regarding climate-related risks and opportunities. For example, during 2020, Seb Beloe engaged directly with policy makers in the UK and internationally on climate change through our input to the European Commission consultations on the EU Taxonomy and SFDR. We also provided input, such as direct feedback, into the UK Government on new initiatives on sustainable finance in the UK. This included feeding into the work of the Financial Reporting Council, UKSIF and IIGCC. The increasing reach of such policies reflects a growing societal appreciation for climate risks and opportunities to be integrated into investment decisions, which we are very supportive of.

As well as climate change, WHEB has engaged with policy makers on other sustainability issues including toxic chemicals, human rights and supply chains and long-termism in capital markets.

☒ **(D) By incorporating climate change into investment beliefs and policies. Specify:**

We are structurally absent from sectors which face major climate transition risks such as fossil fuel production or power generation, cement, steel and bulk chemicals.

We have a written policy on climate risk that is included in our impact report and we have further commentary on our website making these points. Beyond this though, the transition of the global economy to a zero carbon and more sustainable economy is the fundamental investment belief on which the investment strategy is based. This transition is creating risks that for some sectors are existential threats. For others transition risk is better described as a transition opportunity, as the global economy orientates towards companies providing low and zero carbon solutions.

Our investment strategy is focused on these companies providing solutions to climate change as well as other critical social and environmental challenges.

☒ **(E) By monitoring progress on climate-related metrics and targets. Specify:**



Partner and Head of Research, Seb Beloe oversees research and reporting of climate-related metrics and targets for both the portfolio and the firm itself. These are reported annually in our Impact Report. Approximately 60% of the portfolio is invested in companies that sell products and services that enable the economy as a whole to transition to a zero carbon status (the remainder is invested in companies with a positive social impact). Bloomberg analysis suggests that the number is closer to 64%. We have done some preliminary work assessing the extent to which our portfolio is aligned with the EU Taxonomy. We believe that this is somewhere between 12%-40% of the portfolio. We are also signatories to the Net Zero Asset Managers Initiative. Approximately 20% of the portfolio has already achieved net zero carbon emissions or has committed to be net zero carbon by 2050 at the latest.

We have also reported portfolio scope 1 and 2 emissions since 2016. We started to report scope 4 (avoided carbon) emissions in 2018 and reported estimated scope 3 portfolio emissions in 2020. This data is published in our annual impact report.

☒ (F) By defining the link between fiduciary duty and climate risks and opportunities. Specify:

The WHEB investment strategy fulfils its fiduciary duty by embedding consideration of climate risks and opportunities across the entire investment process. From its inception, the WHEB investment strategy has been focused on companies providing solutions to sustainability challenges. We fundamentally believe that companies that are providing solutions to sustainability challenges are going to enjoy many years of above average revenue growth because the world needs more of what they sell. Companies further up the value chain that have significant revenue exposure (>50%) to these types of companies are also investable for us. Therefore, for most of our portfolio, the transition to a zero carbon and more sustainable economy is a transition opportunity.

The thematic structure of the fund also means that we are entirely absent from carbon-intensive parts of the economy including those areas that are most at risk from a transition to a low carbon economy.

The universe of companies



providing solutions to critical environmental and social pressures confronting society therefore creates an investment universe with superior growth prospects. In addition to this, we integrate ESG issues within our bottom up stock analysis in order to identify high quality companies with strong management teams as we believe that these companies are more likely to be able to capture profitable growth opportunities over time.

Our stewardship activity considers climate related risks and opportunities as set out in our Stewardship & Engagement policy document.

Moreover, as a B Corp, WHEB has been certified as having met with the higher standards of social and environmental performance, transparency and accountability. This includes a commitment to building long-term value that is created through a purpose which aligns all stakeholder interests, including those of shareholders.

☐ (G) Other measures to exercise oversight, please specify:

☐ (H) The board or the equivalent function does not exercise oversight over climate-related risks and opportunities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 29	CORE	N/A	N/A	PUBLIC	Governance	General

**What is the role of management in assessing and managing climate-related risks and opportunities?**

☒ (A) Management is responsible for identifying climate-related risks/opportunities and reporting them back to the board or the equivalent function. Specify:

The partnership team is also the Senior Management Team. (SMT) and the team behind WHEB's strategy. By focusing on companies that provide solutions to sustainability challenges, the strategy identifies companies that benefit from and enable a transition to a low carbon, sustainable economy. Climate-related risks and opportunities are therefore given considerable thought.

As the entire business is focused on sustainable and impact investing, the whole team, and especially the three partners and the investment team, are responsible for implementing the strategy's objective and ESG considerations.

Climate change is an integral part of the discussions of WHEB's senior decision-making body and features regularly as part of deliberations on the strategic outlook for the business. The vast majority of this discussion is focused on transition risks and opportunities for the WHEB business and in particular changing appetites among asset owners and other investors for investment strategies that focus on sustainability.

The partners answer to WHEB's independent Investment Advisory Committee which meets three times a year to review the strategy's holdings and ensure they meet with the letter and the spirit of the fund's sustainability criteria. If a holding is deemed inappropriate, the Committee can recommend that holding be sold. The committee also provides us with intelligence and a discussion forum on strategic developments in our themes.

☒ **(B) Management implements the agreed-upon risk management measures. Specify:**

On a day-to-day basis all members of the Investment Team, overseen by Seb Beloe (Partner and Head of Research) and Ted Franks (Partner and Fund Manager) are responsible for implementing agreed upon climate-related risk management measures that are embedded within the strategy. In turn the investment decisions are reviewed by the Investment Advisory Committee three times a year.

The partnership/Senior Management Team committed the business to the Net Zero Asset Managers Initiative in December 2020. Under this initiative, WHEB has committed to having 100% of the portfolio committed to net zero carbon emissions by 2030 at the latest.

We have also a separate commitment to achieve net zero carbon emissions from our own business by 2025. This represents a significant undertaking for WHEB with respect to climate-related risk management.

☒ **(C) Management monitors and reports on climate-related risks and opportunities. Specify:**

The partnership team is also the Senior Management Team (SMT) and the team behind WHEB's strategy. The strategy is invested in nine different investment themes with five of the nine focused on environmental themes. The thematic structure of the fund means that we are entirely absent from carbon-intensive parts of the economy including those areas that are most at risk from a transition to a low carbon economy. We are also structurally focused on those parts of the economy such as renewable energy, energy efficiency in buildings and manufacturing as well as sustainable transport (e.g., rail, buses and electric vehicles) and water management that we believe are well-placed to enable and benefit from a transition to a low carbon economy. The strategy therefore embeds a <2°C scenario and mitigation actions taken by regulators will, we believe, have strong positive impacts on our portfolio. This is an explicit objective that is core to WHEB's investment strategy.

However, we are also

alive to the risks that climate change represents for our portfolio and have conducted a number of scenario stress tests using third-party datasets and tools. These analyses include both transition risk and physical risk. Transition risk is primarily limited to risks associated with an increasing cost of carbon (technology risk more than compensated for by our focus on companies providing solutions to climate change). In addition, we have assessed the portfolio for exposure to physical risks. These are limited primarily to the risk of coastal flooding.

At a stock-level, we analyse the impact of carbon-reduction policy scenarios in key markets. More aggressive policies are beneficial to stocks in the portfolio, increasing demand for products and services they sell.

We report metrics such as the weighted average carbon intensity (WACI) of the strategy, alongside other key climate-related metrics, in our annual impact report. Additionally, in 2016, WHEB was among the first asset

managers to report in-line with guidance from the Taskforce on Climate-related Financial Disclosures (TCFD). Our TCFD statement can be found on pages 26-28 of our 2016 Impact Report at <https://impact.whebgroup.com/media/2020/06/WHEB-Impact-Report-2016-1.pdf>

**☑ (D) Management ensures adequate resources, including staff, training and budget, are available to assess, implement and monitor climate-related risks/opportunities and measures. Specify:**

The Senior Management Team ensures that the investment and distribution teams receive adequate ESG training upon joining the business. This training is tailored to specific job roles. For the investment team, training takes place on an ongoing basis. Training needs are continually being assessed to ensure that the whole team's knowledge remains up to date.

Following significant growth in AuM during 2020, WHEB has welcomed several new team members to support the business. Fanny Ruighaver was appointed as a new EU-based Business Development Director in November. She has since been joined in the business development team by Rachael Monteiro, working with Sarah Briscoe based in WHEB's London office. WHEB has also added a fifth analyst to the investment team with the appointment of Claire Jervis and will soon be adding a sixth member to the investment team. In addition, WHEB is currently recruiting for a Risk and Performance Analyst to join the Operations team. Understanding, reporting

and engaging with clients on climate-related issues is a core part of this team's role.

ESG analysis is integral to our investment process and WHEB sources its own ESG research. We access underlying primary ESG data through a combination of Sustainability Accounting Standards Board and Bloomberg data. Our company ESG analysis draws on other research resources including information provided by companies, engagement activity and meetings with companies, ISS for the analysis of corporate governance, media articles and sell-side research and meetings with analysts. We publish an annual snapshot of the portfolio for clients and other interested stakeholders this includes the strategy's ESG footprint (including several aspects relating to carbon) and is compared with that of the MSCI World Index, based on data that is assembled by a specialist independent consultant, Impact Cubed.

WHEB is supportive of a wide number of industry associations and networks which contribute to the creation of

a more sustainable investment market. Partner, Seb Beloe works with many of these networks such as the Future Fit Foundation, The Big Exchange and IIRC to advise on policy and development.

They also play an important role in the development of our thinking around positive impact investing and in developing robust frameworks that define the type of data that we are looking for. Especially, because impact data is still poorly defined by the market. Over the past year we have developed a bespoke tool to underpin a systematic approach to codifying impact across different themes and end markets. Known as WHEB's 'Impact Engine', this is now a core part of our investment process. The tool is used to collect and organize impact data across five dimensions and leads to an overall impact 'intensity' rating. The Impact Engine draws on the work of the Impact Management Project and the Future Fit Foundation, both of which we participate in and contribute to.

☒ (E) Other roles management takes on to assess and manage climate-related risks/opportunities, please specify:



At a policy level, the Senior Management Team are proactive members of organisations seeking to leverage the voice of institutional investors and asset owners to make meaningful change through stronger policy.

These organisations include: the Institutional Investors Group on Climate Change (IIGCC), which we have been a leading contributor to as part of the Paris Aligned Investment Initiative; the British Standards Institute (BSI), where we have served as a member of the Technical committees for the development of specifications on sustainable finance; the Future Fit foundation, whose advisory board Seb Beloe sits on and which is creating tools for companies and investors to better understand how their businesses can thrive in a transition to a more sustainable future; the Net Zero Carbon 10 initiative, which allows fund managers to better align their investment policies to the requirement for carbon-neutrality, rather than just emissions reduction; and, the Net Zero Asset Manager's Initiative, which aims to support investing aligned with net zero emissions by 2050 or sooner.

☐ (F) Our management does not have responsibility for assessing and managing climate-related risks and opportunities

## Strategy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 30	CORE	N/A	Multiple, see guidance	PUBLIC	Strategy	General

**Which climate-related risks and opportunities has your organisation identified within its investment time horizon(s)?**

☒ (A) **Specific financial risks in different asset classes. Specify:**

The WHEB investment strategy seeks companies whose products and services enable and therefore, benefit from, the transition to a zero carbon more sustainable economy. In doing so, it is structurally absent from sectors which are most at risk of a permanent loss of capital.

We estimate that approximately 20% of the total global equity market is comprised of businesses whose products or services have an overt negative externality, such as tobacco, fossil fuels and other 'sin stocks'. Such externalities have major economic, environmental and social costs that are not captured in the profit and loss account of that company but, are instead born by society at large. Businesses in this category therefore face existential threat as the world becomes more sustainable.

Another, larger proportion of the economy includes businesses that are producing products and services that will still be needed in a sustainable, zero carbon economy. However, they are not part of the solution and still create negative externalities through their operational activities. Businesses in this portion of the economy consequently require significant efforts to redesign their sourcing, manufacturing and distribution models. Alternatively, their profitability is linked to overconsumption. Either way, these businesses face or are susceptible to a transition risk. These businesses account for roughly 60% of the economy.

☒ (B) **Specific sectors and/or assets that are at risk of being stranded. Specify:**



We seek to add value by identifying critical challenges that are facing the global population over the next few decades. We then derive a range of themes, consisting of companies that are providing solutions to these challenges as the global economy shifts, through necessity, to a more sustainable footing. Within each theme, we identify the leading companies and carry out deep financial, as well as ESG analysis, adding further value through our stock selection.

In addition, when we analyse companies, we consider potential negative impacts associated with their products and services as well as their operations. We only invest in companies where we are clear on the overall positive impact of the business.

As a result of this approach, we have never invested in any company with activities substantially related to the provision of fossil-fuel exploration or production nor of fossil fuel power generation. We also assess companies for upstream and downstream exposure to fossil fuels and factor this into our overall investment view. This explicitly includes any risk associated with asset stranding due to climate change transition or adaptation.

☒ **(C) Assets with exposure to direct physical climate risk. Specify:**

We consider carbon risk as part of our core investment analysis on each stock and then review exposure on an ongoing basis through our carbon footprinting (Bloomberg and Impact Cubed data), physical risk (using MSCI data) and our engagement activities. We believe that our investment strategy is well-positioned for any scenario in which the global economy moves to progressively decarbonise.

We have begun some initial work looking at the exposure of the strategy to physical risks. At the higher levels of global temperature change, the strategy will be more exposed to the physical risks of climate change (along with the global economy). This is an area that we plan to do more work on in the near future. We have also made some investments in companies that supply climate adaptation technologies and services within our investment themes.

☒ **(D) Assets with exposure to indirect physical climate risk. Specify:**

We have done some preliminary work on indirect physical risk principally in areas where critical suppliers to investee companies may have significant physical climate risk. Our initial research in this area suggest that this relatively limited to date, but it is an area that we plan to do additional work on.

☒ **(E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios. Specify:**

Our strategy is invested in nine different investment themes with five of the nine focused on environmental themes. The thematic structure of the fund means that we are entirely absent from carbon-intensive parts of the economy including those areas that are most at risk from a transition to a low carbon economy. We are also structurally focused on those parts of the economy such as renewable energy, energy efficiency in buildings and manufacturing as well as sustainable transport (e.g., rail, buses and electric vehicles) and water management that we believe are well-placed to enable and benefit from a transition to a low carbon economy. The strategy therefore embeds a <2°C scenario and mitigation actions taken by regulators will, we believe, have strong positive impacts on our portfolio. This is an explicit objective that is core to WHEB's investment strategy.

At a stock-level, we analyse the impact of carbon-reduction policy scenarios in key markets. More aggressive policies are beneficial to stocks in the portfolio, increasing demand for products and services they sell.

In addition, each year, we attempt to improve the way we approach and integrate these issues into our investment process and fund, based on improving knowledge and tools. For example we have committed to a goal of net zero emissions from the portfolio by 2050 or sooner under the Net Zero Asset Managers Initiative. Consequently, this has already been, and will be, a focus of much of our engagement with investee companies going forward.

☒ **(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals. Specify:**

Within our sustainability themes, we look for companies that can be considered both direct and indirect enablers of the transition to a low carbon, more sustainable economy. We also consider which is the most attractive part of the value chain is for any particular market, upstream and downstream. Therefore, companies further up the value chain that have significant revenue exposure (>50%) to climate solutions are also investable for us.

As a result, the strategy consists of companies that should enjoy many years of above average revenue growth because the world needs more of what they sell in order to decarbonise. To achieve ambitious net zero targets, much of the economy will need to change the way they plan and design products, how they manufacture, including the equipment they use, how they heat and cool their buildings, how they manage transport and logistics and where they get their energy from.

Examples of companies in our strategy that will contribute to the achievement of climate goals include: Daikin and AO Smith (buildings), Silicon Labs and Xylem (equipment), Kion and Daifuku (Logistics), Arcadis and Autodesk (planning and design) Keyence and Renishaw (manufacturing processes) and TPI Composites and Vestas (renewable energy).

☐ (G) Other climate-related risks and opportunities identified. Specify:

☐ (H) We have not identified specific climate-related risks and opportunities within our organisation's investment time horizon

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 30.1	CORE	ISP 30	N/A	PUBLIC	Strategy	General

**For each of the identified climate-related risks and opportunities, indicate within which investment time-horizon they were identified.**

	(1) 3–5 months	(2) 6 months to 2 years	(3) 2–4 years
(A) Specific financial risks in different asset classes [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific sectors and/or assets that are at risk of being stranded [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Assets with exposure to direct physical climate risk [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Assets with exposure to indirect physical climate risk [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	<b>(4) 5–10 years</b>		<b>(5) 11–20 years</b>
(A) Specific financial risks in different asset classes [as specified]	<input checked="" type="checkbox"/>		<input type="checkbox"/>
(B) Specific sectors and/or assets that are at risk of being stranded [as specified]	<input checked="" type="checkbox"/>		<input type="checkbox"/>
(C) Assets with exposure to direct physical climate risk [as specified]	<input checked="" type="checkbox"/>		<input type="checkbox"/>
(D) Assets with exposure to indirect physical climate risk [as specified]	<input checked="" type="checkbox"/>		<input type="checkbox"/>
(E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios [as specified]	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals [as specified]	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

	(6) 21–30 years	(7) >30 years
(A) Specific financial risks in different asset classes [as specified]	<input type="checkbox"/>	<input type="checkbox"/>
(B) Specific sectors and/or assets that are at risk of being stranded [as specified]	<input type="checkbox"/>	<input type="checkbox"/>
(C) Assets with exposure to direct physical climate risk [as specified]	<input type="checkbox"/>	<input type="checkbox"/>
(D) Assets with exposure to indirect physical climate risk [as specified]	<input type="checkbox"/>	<input type="checkbox"/>
(E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios [as specified]	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals [as specified]	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 31	CORE	N/A	N/A	PUBLIC	Strategy	General

**Which climate-related risks and opportunities has your organisation identified beyond its investment time horizon(s)?**

☒ (A) Specific financial risks in different asset classes. Specify:

Infrastructure investments face particularly acute climate-related risks beyond our investment time horizon.

☒ **(B) Specific sectors and/or assets that are at risk of being stranded. Specify:**

We believe that businesses whose products or services have an overt negative externalities create major economic, environmental and social costs which are born by society at large. As we transition to a zero carbon more sustainable world, these businesses are at risk of a permanent loss of capital.

In addition, we avoid 'so-called' bridging technologies where there is no clear trajectories to a zero-carbon future e.g. Natural Gas.

☒ **(C) Assets with exposure to direct physical climate risk. Specify:**

Analysis of the physical risk from climate change to investment portfolios is still developing. An initial evaluation of the WHEB strategy indicated that several companies are exposed to potential flooding in coastal regions at higher levels of climate change. We continue to research this area more thoroughly.

☒ **(D) Assets with exposure to indirect physical climate risk. Specify:**

We are absent from many sectors that we believe will be impacted by indirect physical climate risks, even beyond our investment time horizons. For example, we do not invest in companies that sell real estate in regions such as Florida that are susceptible to coastal flooding as a result of climate change. We have also minimal exposure to agricultural supply-chains where indirect physical impacts are a growing risk. Nonetheless we do consider this issue in our research.

☒ **(E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios. Specify:**

We believe that our investment strategy is well-positioned for any scenario in which the global economy moves to progressively decarbonise. Companies whose activities support our nine investment themes are likely to benefit under a range of climate scenarios.

☒ **(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals. Specify:**

We believe that our investment strategy is well-positioned for any scenario in which the global economy moves to progressively decarbonises. Companies whose activities support our nine investment themes are likely to benefit under a range of climate scenarios. We are closely watching emerging trends, such as blue or green hydrogen which would sit within our Cleaner Energy theme. As positive impact investors, we are excited about opportunities in this space and the potential to grow hydrogen and reduce carbon emissions. However, we have so far found few investible companies either due lack to lack of size or profitability, suggesting that viable direct investments in hydrogen are beyond our current time horizons for now. Instead, we have strategically positioned the portfolio for exposure to hydrogen through established companies which have a footprint in this space, such as Linde or Kion.  
<https://www.whebgroupp.com/is-it-time-to-jump-on-the-hydrogen-bandwagon/>

☐ (G) Other climate-related risks and opportunities identified, please specify:

☐ (H) We have not identified specific climate-related risks and opportunities beyond our organisation's investment time horizon

## Strategy: Scenario analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 33	CORE	N/A	ISP 33.1	PUBLIC	Strategy: Scenario analysis	General



Does your organisation use scenario analysis to assess climate-related investment risks and opportunities? Select the range of scenarios used.

- ☒ (A) An orderly transition to a 2°C or lower scenario
- ☒ (B) An abrupt transition consistent with the Inevitable Policy Response
- ☐ (C) A failure to transition, based on a 4°C or higher scenario
- ☐ (D) Other climate scenario, specify:
- ☐ (E) We do not use scenario analysis to assess climate-related investment risks and opportunities

## Sustainability outcomes

### Set policies on sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 40	CORE	ISP 1.1	N/A	PUBLIC	Set policies on sustainability outcomes	1, 2

Where is your approach to sustainability outcomes set out? Your policy/guideline may be a standalone document or part of a wider responsible investment policy.

- ☒ (A) Our approach to sustainability outcomes is set out in our responsible investment policy
- ☐ (B) Our approach to sustainability outcomes is set out in our exclusion policy
- ☒ (C) Our approach to sustainability outcomes is set out in our stewardship policy
- ☐ (D) Our approach to sustainability outcomes is set out in asset class-specific investment guidelines
- ☐ (E) Our approach to sustainability outcomes is set out in separate guidelines on specific outcomes (e.g. the SDGs, climate or human rights)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 41	CORE	ISP 1.1	N/A	PUBLIC	Set policies on sustainability outcomes	1, 2

Which global or regionally recognised frameworks do your policies and guidelines on sustainability outcomes refer to?



- ☒ (A) The SDG goals and targets
- ☒ (B) The Paris Agreement
- ☐ (C) The UN Guiding Principles on Business and Human Rights
- ☐ (D) The OECD Guidelines for Multinational Enterprises, including guidance on Responsible Business Conduct for Institutional Investors

☒ (E) Other frameworks, please specify:

As of November 2020, WHEB became a Future-Fit Pioneer.

As Pioneers, we will be using the Future-Fit Business Benchmark to guide our business decision-making. Along with other like-minded businesses and investors, we hope to demonstrate how business can be a force for good in transforming our entire economic system. As part of this commitment, we will also be using the Benchmark to assess our performance and report annually on our progress.

At launch, the Pioneer Network members included just 21 companies across 14 sectors.

We have also used the Impact Management Project's frameworks in developing our impact management tools and frameworks.

We have also built our own impact measurement framework that draws heavily on the work of Mission Innovation framework for avoided emissions.

☐ (F) Other frameworks, please specify:

## Identify sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 43	CORE	N/A	Multiple, see guidance	PUBLIC	Identify sustainability outcomes	1

Has your organisation identified the intended and unintended sustainability outcomes from any of its activities?

- ☐ (A) No, we have not identified the sustainability outcomes from our activities
- ☒ (B) Yes, we have identified one or more sustainability outcomes from some or all of our activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44	CORE	ISP 43	ISP 44.1	PUBLIC	Identify sustainability outcomes	1

What frameworks/tools did your organisation use to identify the sustainability outcomes from its activities? Indicate the tools or frameworks you have used to identify and map some or all of your sustainability outcomes.

- ☒ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☒ (B) The Paris Agreement
- ☐ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (D) The OECD Guidelines for Multinational Enterprises, including guidance on Responsible Business Conduct for Institutional Investors
- ☒ (E) The EU Taxonomy
- ☐ (F) Other taxonomies (e.g. similar to the EU Taxonomy), please specify:
- ☒ (G) Other framework/tool, please specify:
- We have been running a thematic strategy for 15 years and have developed our own thematic structure for managing out investments as none of these other frameworks existed when our strategy was launched.
- ☐ (H) Other framework/tool, please specify:
- ☐ (I) Other framework/tool, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44.1	CORE	ISP 44	N/A	PUBLIC	Identify sustainability outcomes	1

**At what level(s) did your organisation identify the sustainability outcomes from its activities?**

- ☐ (A) At the asset level
- ☒ (B) At the economic activity level
- ☒ (C) At the company level
- ☒ (D) At the sector level
- ☐ (E) At the country/region level
- ☒ (F) At the global level
- ☒ (G) Other level(s), please specify:
- We identify sustainability outcomes from activities at a thematic level, based on our nine sustainability themes.
- ☐ (H) We do not track at what level(s) our sustainability outcomes were identified

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 45	CORE	ISP 43	SO 1	PUBLIC	Identify sustainability outcomes	1

How has your organisation determined your most important sustainability outcome objectives?

- ☒ (A) Identifying sustainability outcomes that are closely linked to our core investment activities
- ☐ (B) Consulting with key clients and/or beneficiaries to align with their priorities
- ☒ (C) Assessing the potential severity (e.g. probability and amplitude) of specific negative outcomes over different timeframes
- ☒ (D) Focusing on the potential for systemic impacts (e.g. due to high level of interconnectedness with other global challenges)
- ☒ (E) Evaluating the potential for certain outcome objectives to act as a catalyst/enabler to achieve a broad range of goals (e.g. gender or education)
- ☐ (F) Analysing the input from different stakeholders (e.g. affected communities, civil society or similar)
- ☐ (G) Understanding the geographical relevance of specific sustainability outcome objectives
- ☐ (H) Other method, please specify:
- ☐ (I) We have not yet determined our most important sustainability outcome objectives

## Transparency & Confidence-Building Measures

### Information disclosed – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 46	CORE	OO 16	N/A	PUBLIC	Information disclosed – ESG assets	6

For the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets, what information about your ESG approach do you (or the external investment managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- ☒ (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- ☒ (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)

- ☒ (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- ☒ (D) A description of our investment process and how ESG is considered
- ☒ (E) ESG objectives of individual funds
- ☒ (F) Information about the ESG benchmark(s) that we use to measure fund performance
- ☒ (G) Our stewardship approach
- ☒ (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)
- ☒ (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- ☒ (J) A list of our main investments and holdings
- ☒ (K) ESG case study/example from existing fund(s)
- ☐ (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

## Client reporting – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 48	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – ESG assets	6

What ESG information is included in your client reporting for the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets?

- ☒ (A) Qualitative analysis, descriptive examples or case studies
- ☒ (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance
- ☒ (C) Progress on our sustainability outcome objectives
- ☒ (D) Stewardship results
- ☒ (E) Information on ESG incidents, where applicable
- ☒ (F) Analysis of ESG contribution to portfolio financial performance
- ☐ (G) We do not include ESG information in client reporting for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

## Information disclosed – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 49	CORE	N/A	N/A	PUBLIC	Information disclosed – All assets	6

For the majority of your total assets under management, what information about your ESG approach do you (or the external managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- ☒ (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- ☒ (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)
- ☒ (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- ☒ (D) A description of our investment process and how ESG is considered
- ☒ (E) ESG objectives of individual funds
- ☒ (F) Information about the ESG benchmark(s) that we use to measure fund performance
- ☒ (G) Our stewardship approach
- ☒ (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)
- ☒ (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- ☒ (J) A list of our main investments and holdings
- ☒ (K) ESG case study/example from existing fund(s)
- ☐ (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our assets under management

## Client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 50	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – All assets	6

What ESG information is included in your client reporting for the majority of your assets under management?

- ☒ (A) Qualitative ESG analysis, descriptive examples or case studies

- ☒ (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance
- ☒ (C) Progress on our sustainability outcome objectives
- ☒ (D) Stewardship results
- ☒ (E) Information on ESG incidents where applicable
- ☒ (F) Analysis of ESG contribution to portfolio financial performance
- ☐ (G) We do not include ESG information in client reporting for the majority of our assets under management

## Frequency of client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 51	CORE	Multiple, see guidance	N/A	PUBLIC	Frequency of client reporting – All assets	6

For the majority of each asset class, how frequently do you report ESG-related information to your clients?

(A) Listed equity

(1) Quarterly

## Confidence-building measures

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 52	CORE	OO 16.1	Multiple, see guidance	PUBLIC	Confidence-building measures	6

What verification has your organisation had regarding the information you have provided in your PRI Transparency Report this year?

- ☒ (A) We received third-party independent assurance of selected processes and/or data related to our responsible investment processes, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls/governance or processes to be able to conduct an external assurance next year
- ☐ (C) The internal audit function team performed an independent audit of selected processes/and or data related to our responsible investment processes reported in this PRI report
- ☒ (D) Our board, CEO, other C-level equivalent and/or investment committee has signed off on our PRI report
- ☒ (E) Some or all of our funds have been audited as part of the certification process against a sustainable investment/RI label



- ☐ (F) We conducted an external ESG audit of our ESG/sustainability marketed funds or products (excluding ESG/RI certified or labelled assets)
- ☒ (G) We conducted an external ESG audit of our holdings to check that our funds comply with our RI policy (e.g. exclusion list or investee companies in portfolio above certain ESG rating)
- ☐ (H) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- ☒ (I) Responses related to our RI practices documented in this report have been internally reviewed before submission to the PRI
- ☐ (J) None of the above

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 53	CORE	ISP 52, OO 14	N/A	PUBLIC	Confidence-building measures	6

**Which responsible investment processes and/or data did your organisation have third-party external assurance on?**

- (A) Investment and stewardship policy (4) Neither process nor data assured
- 
- (C) Listed equity (3) Processes and related data assured

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 54	CORE	ISP 52	ISP 54.1	PUBLIC	Confidence-building measures	6

**What standard did your third-party external assurance provider use?**

- ☐ (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, please specify:
- ☐ (J) Invest Europe Handbook of Professional Standards
- ☐ (K) ISAE 3402
- ☐ (L) AAF 01/06
- ☐ (M) AAF 01/06 Stewardship Supplement
- ☐ (N) ISO 26000 Social Responsibility
- ☐ (O) ASAE 3410 Assurance Engagements on Greenhouse Gas Statements
- ☐ (P) PCAF
- ☐ (Q) NGRS audit framework (National Greenhouse and Energy Reporting)
- ☒ (R) Auditor's proprietary assurance framework for assuring RI-related information
- ☐ (S) Other greenhouse gas emissions assurance standard, please specify:
- ☐ (T) None of the above

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 58	CORE	ISP 52	N/A	PUBLIC	Confidence-building measures	6

**Who has reviewed/verified the entirety of or selected data from your PRI report?**

(A) Board and/or trustees (1) the entire report

(B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO)) (1) the entire report

(C) Investment committee (1) the entire report

(D) Other chief-level staff, please specify:  
☐ Head of Research (1) the entire report

(E) Head of department, please specify:  
☐ Head of Research (1) the entire report

(F) Compliance/risk management team

(1) the entire report

(G) Legal team

(4) report not reviewed

(H) RI/ ESG team

(1) the entire report

(I) Investment teams

(1) the entire report

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 59	CORE	ISP 52	N/A	PUBLIC	Confidence-building measures	6

**Which of the following 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) EU Ecolabel
- ☐ (H) EU Green Bond Standard
- ☐ (I) Febelfin label (Belgium)
- ☐ (J) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
- ☐ (K) Greenfin label (France)
- ☐ (L) ICMA Green Bond Principles
- ☐ (M) Le label ISR (French government SRI label)
- ☐ (N) Luxflag Climate Finance
- ☐ (O) Luxflag Environment
- ☐ (P) Luxflag ESG
- ☐ (Q) Luxflag Green Bond
- ☐ (R) Luxflag Microfinance

☒ (S) National stewardship code (e.g. UK or Japan), please specify:

WHEB's UK Stewardship Code Compliance statement has been assessed as a Tier 1 statement in accordance with the 2012 Code.

We are currently in the process of finalising our statement to submit to the FRC in order to become a signatory of 2020 Code. A copy of our latest Stewardship & Engagement Policy can be found on our website.

☐ (T) Nordic Swan Ecolabel

☒ (U) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic), please specify:

WHEB is a signatory to EUROSIF and has been awarded the EUROSIF Transparency logo, based on the report submitted:  
<https://www.whebgroup.com/media/2020/01/2020-WHEB-AM-Transparency-Code-.pdf>

WHEB is also a member of UKSIF (UK Sustainable Investment and Finance Association) and is regularly involved with events and initiatives.

☐ (V) People's Bank of China green bond guidelines

☒ (W) RIAA (Australia)

☐ (X) Towards Sustainability label (Belgium)

☒ (Y) Other, please specify:

We have fund certifications from Ethical Consumer, Square Mile and several other commercial fund reviewers.

## Listed Equity (LE)

## Pre-investment phase

### Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 10	LE 1.1	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify material ESG factors across listed equities?

(3) Active – fundamental

(A) Yes, we have a formal process to identify material ESG factors for all of our assets



(B) Yes, we have a formal process to identify material ESG factors for the majority of our assets

☐

(C) Yes, we have a formal process to identify material ESG factors for a minority of our assets

☐

(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their own discretion

☐

(E) No, we do not have a formal process to identify material ESG factors

☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1.1	CORE	LE 1	N/A	PUBLIC	Materiality analysis	1

**How does your current investment process incorporate material ESG factors?**

**(3) Active - Fundamental**

(A) The investment process incorporates material governance factors

☒

(B) The investment process incorporates material environmental and social factors

☒

(C) The investment process incorporates material ESG factors beyond our organisation's typical investment time horizon

☒

(D) The investment process incorporates the effect of material ESG factors on revenues and business operations



## Long-term ESG trend analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 10	N/A	PUBLIC	Long-term ESG trend analysis	1

Do you continuously monitor a list of identified long-term ESG trends related to your listed equity assets?

(3) Active – fundamental

(A) We monitor long-term ESG trends for all assets



(B) We monitor long-term ESG trends for the majority of assets



(C) We monitor long-term ESG trends for a minority of assets



(D) We do not continuously monitor long-term ESG trends in our investment process



## ESG incorporation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 10	LE 3.1	PUBLIC	ESG incorporation	1

How does your financial modelling and equity valuation process incorporate material ESG risks?



(3) Active – fundamental

(A) We incorporate governance-related risks into financial modelling and equity valuations



(B) We incorporate environmental and social risks into financial modelling and equity valuations



(C) We incorporate environmental and social risks related to companies' supply chains into financial modelling and equity valuations



(D) ESG risk is incorporated into financial modelling and equity valuations at the discretion of individual investment decision-makers, and we do not track this process



(E) We do not incorporate ESG risks into our financial modelling and equity valuations



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3.1	CORE	LE 3	N/A	PUBLIC	ESG incorporation	1

**In what proportion of cases do you incorporate the following material ESG risks into your financial modelling and equity valuation process?**

(3) Active - Fundamental

(A) We incorporate governance-related risks into financial modelling and equity valuations (1) in all cases

(B) We incorporate environmental and social risks into financial modelling and equity valuations (1) in all cases

(C) We incorporate environmental and social risks related to companies' supply chains into financial modelling and equity valuations (1) in all cases

## Assessing ESG performance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 10	LE 4.1	PUBLIC	Assessing ESG performance	1

What information do you incorporate when you assess the ESG performance of companies in your financial modelling and equity valuation process?

(3) Active – fundamental

(A) We incorporate information on current performance across a range of ESG metrics ☒

(B) We incorporate information on historical performance across a range of ESG metrics ☒

(C) We incorporate information enabling performance comparison within a selected peer group across a range of ESG metrics



(D) We incorporate information on ESG metrics that may impact or influence future corporate revenues and/or profitability



(E) We do not incorporate ESG factors when assessing the ESG performance of companies in our financial modelling or equity valuation



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4.1	CORE	LE 4	N/A	PUBLIC	Assessing ESG performance	1

**In what proportion of cases do you incorporate the following information when assessing the ESG performance of companies in your financial modelling and equity valuation process?**

**(3) Active – fundamental**

(A) We incorporate information on current performance across a range of ESG metrics

(1) in all cases

(B) We incorporate information on historical performance across a range of ESG metrics

(1) in all cases

(C) We incorporate information enabling performance comparison within a selected peer group across a range of ESG metrics

(2) in the majority of cases

(D) We incorporate information on ESG metrics that may impact or influence future corporate revenues and/or profitability

(1) in all cases

## ESG incorporation in portfolio construction

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 10	LE 6.1	PUBLIC	ESG incorporation in portfolio construction	1

**How do ESG factors influence your portfolio construction?**

**(3) Active – fundamental**

(A) The selection of individual assets within our portfolio is influenced by ESG factors



(B) The holding period of individual assets within our portfolio is influenced by ESG factors



(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors



(D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process



(E) Other expressions of conviction (please specify below)



(F) The portfolio construction or benchmark selection does not explicitly include the incorporation of ESG factors



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6.1	CORE	LE 6	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**In what proportion of cases did ESG factors influence your portfolio construction?**

**(3) Active – fundamental**

(A) The selection of individual assets within our portfolio is influenced by ESG factors (1) in all cases

(B) The holding period of individual assets within our portfolio is influenced by ESG factors (1) in all cases

(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors (1) in all cases

## Post-investment phase

### ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

**Do your regular reviews incorporate ESG risks?**

(3) Active – fundamental

(A) Our regular reviews include quantitative information on material ESG risks specific to individual listed equities



(B) Our regular reviews include aggregated quantitative information on material ESG risks at a fund level



(C) Our regular reviews only highlight fund holdings where ESG ratings have changed



(D) We do not conduct regular reviews. Risk reviews of ESG factors are conducted at the discretion of the individual fund manager and vary in frequency



(E) We do not conduct reviews



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

**Do you regularly identify and incorporate ESG incidents into the investment process for your listed equity assets?**

(3) Active – fundamental

(A) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into all of our investment decisions





(B) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into the majority of our investment decisions

○

(C) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into a minority of our investment decisions

○

(D) Yes, we have an ad hoc process in place for identifying and incorporating ESG incidents

○

(E) Other

○

(F) We currently do not have a process in place for regularly identifying and incorporating ESG incidents into our investment decision-making

○

# Reporting/Disclosure

## Sharing ESG information with stakeholders

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 13	CORE	OO 6 LE	N/A	PUBLIC	Sharing ESG information with stakeholders	6

How do you ensure that clients and/or beneficiaries understand ESG screens and their implications?

	(1) for all of our listed equity assets subject to ESG screens	(2) for the majority of our listed equity assets subject to ESG screens	(3) for a minority of our listed equity assets subject to ESG screens	(4) for none of our assets subject to ESG screens
(A) We publish a list of ESG screens and share it on a publicly accessible platform such as a website or through fund documentation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) We publish any changes in ESG screens and share them on a publicly accessible platform such as a website or through fund documentation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) We outline any implications of ESG screens, such as deviation from a benchmark or impact on sector weightings, to clients and/or beneficiaries	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 14	CORE	OO 10	N/A	PUBLIC	Sharing ESG information with stakeholders	6

What ESG information is covered in your regular reporting to stakeholders such as clients or beneficiaries?

**(3) Active – fundamental**

(A) Our regular stakeholder reporting includes qualitative examples of engagement and/or ESG incorporation	1) In all of our regular stakeholder reporting
--	--

(B) Our regular stakeholder reporting includes quantitative ESG engagement data

1) In all of our regular stakeholder reporting

(C) Our regular stakeholder reporting includes quantitative ESG incorporation data

1) In all of our regular stakeholder reporting

# Stewardship

## Voting policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 15	CORE	OO 9 LE	LE 15.1, LE 16	PUBLIC	Voting policy	2

Does your organisation have a publicly available (proxy) voting policy? (The policy may be a standalone policy, part of a stewardship policy or incorporated into a wider RI policy.)

☒ (A) Yes, we have a publicly available (proxy) voting policy Add link(s):

<https://www.whebgroup.com/media/2021/02/202102-Stewardship-and-engagement-policy.pdf>

☐ (B) Yes, we have a (proxy) voting policy, but it is not publicly available

☐ (C) No, we do not have a (proxy) voting policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 15.1	CORE	OO 9 LE, LE 15	N/A	PUBLIC	Voting policy	2

What percentage of your listed equity assets does your (proxy) voting policy cover?

(A) Actively managed listed equity covered by our voting policy

(12) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 16	CORE	LE 15	N/A	PUBLIC	Voting policy	2

Does your organisation's policy on (proxy) voting cover specific ESG factors?

☒ (A) Our policy includes voting guidelines on specific governance factors Describe:

We have strict criteria on:

- Combined CEO/Chair
- Director independence (not independent if >10yr tenure)
- Overboarding (more than 4 board positions)
- Tax rate (if low then vote against)
- Remuneration policy (if >\$10m then vote against among other things)
- ESG element in LTIPs
- Equity issuance limits
- Share buy-back policies

Independent auditor

☒ (B) Our policy includes voting guidelines on specific environmental factors Describe:

- Need for Board Director (or Committee) with responsibility for sustainability
- Need for strong disclosure on material environmental issues
- evidence of major incidents then vote against

☒ (C) Our policy includes voting guidelines on specific social factors Describe:

- gender diversity at board level (>25%)
- Diversity strategy if lack of gender diversity
- evidence of failing to uphold freedom of association then vote against
- strong disclosure on material social issues

☐ (D) Our policy is high-level and does not cover specific ESG factors Describe:

## Security lending policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 18	CORE	OO 9 LE	LE 18.1, LE 18.2	PUBLIC	Security lending policy	2

Does your organisation have a public policy that states how voting is addressed in your securities lending programme? (The policy may be a standalone guideline or part of a wider RI or stewardship policy.)

- (A) We have a public policy to address voting in our securities lending programme. Add link(s):
- (B) We have a policy to address voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our service provider(s)
- (D) We do not have a policy to address voting in our securities lending programme
- (E) Not applicable, we do not have a securities lending programme

## Shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 19	CORE	OO 9 LE	N/A	PUBLIC	Shareholder resolutions	2

Which of the following best describes your decision-making approach regarding shareholder resolutions, or that of your service provider(s) if decision-making is delegated to them?

- (A) In the majority of cases, we support resolutions that, if passed, are expected to advance progress on the underlying ESG factors or on our stewardship priorities
- (B) In the majority of cases, we support resolutions that, if passed, are expected to advance progress on the underlying ESG factors but only if the investee company has not already committed publicly to the action requested in the proposal
- (C) In the majority of cases, we only support shareholder resolutions as an escalation tactic when other avenues for engagement with the investee company have not achieved sufficient progress
- (D) In the majority of cases, we support the recommendations of investee company management by default
- (E) In the majority of cases, we do not vote on shareholder resolutions

## Pre-declaration of votes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 20	CORE	OO 9 LE	N/A	PUBLIC	Pre-declaration of votes	2

How did your organisation or your service provider(s) pre-declare votes prior to AGMs/EGMs?

- ☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system
- ☐ (B) We pre-declared our voting intentions publicly (e.g. through our own website) Link to public disclosure:

- ☐ (C) We pre-declared our voting intentions publicly through the PRI's vote declaration system, including the rationale for our (proxy) voting decisions where we planned to vote against management proposals or abstain
- ☐ (D) We pre-declared our voting intentions publicly, including the rationale for our (proxy) voting decisions where we planned to vote against management proposals or abstain Link to public disclosure:
- ☐ (E) Prior to the AGM/EGM, we privately communicated our voting decision to investee companies in cases where we planned to vote against management proposals or abstain
- ☒ (F) We did not privately or publicly communicate our voting intentions
- ☐ (G) We did not cast any (proxy) votes during the reporting year

## Voting disclosure post AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 21	CORE	OO 9 LE	LE 21.1	PUBLIC	Voting disclosure post AGM/EGM	2

Do you publicly report your (proxy) voting decisions, or those made on your behalf by your service provider(s), in a central source?

☒ (A) Yes, for >95% of (proxy) votes Link:

☐ <https://www.whebgroupp.com/investment-strategy/fund-governance/engagement-and-voting-records/>

☐ (B) Yes, for the majority of (proxy) votes Link:

☐ (C) Yes, for a minority of (proxy) votes 1) Add link and 2) Explain why you only publicly disclose a minority of (proxy) voting decisions:

☐ (D) No, we do not publicly report our (proxy) voting decisions Explain why you do not publicly report your (proxy) voting decisions:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 21.1	CORE	LE 21	N/A	PUBLIC	Voting disclosure post AGM/EGM	2

In the majority of cases, how soon after an investee's AGM/EGM do you publish your voting decisions?

☐ (A) Within one month of the AGM/EGM

☐ (B) Within three months of the AGM/EGM

☒ (C) Within six months of the AGM/EGM



- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 22	CORE	OO 9 LE	LE 22.1	PUBLIC	Voting disclosure post AGM/EGM	2

**Did your organisation and/or the service provider(s) acting on your behalf communicate the rationale for your voting decisions?**

- ☒ (A) In cases where we voted against management recommendations or abstained, the rationale was provided privately to the company
- ☒ (B) In cases where we voted against management recommendations or abstained, the rationale was disclosed publicly
- ☐ (C) In cases where we voted against management recommendations or abstained, we did not communicate the rationale
- ☐ (D) We did not vote against management or abstain

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 22.1	CORE	LE 22	N/A	PUBLIC	Voting disclosure post AGM/EGM	2

**Indicate the proportion of votes where you and/or the service provider(s) acting on your behalf communicated the rationale for your voting decisions.**

(A) In cases where we voted against management recommendations or abstained, the rationale was provided privately to the company (5) >95%

(B) In cases where we voted against management recommendations or abstained, the rationale was disclosed publicly (5) >95%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 23	CORE	OO 9 LE	LE 23.1	PUBLIC	Voting disclosure post AGM/EGM	2, 5

**Did your organisation and/or the service provider(s) acting on your behalf communicate the rationale for your voting decisions when voting against a shareholder resolution proposed/filed by a PRI signatory?**

- ☐ (A) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was disclosed publicly
- ☐ (B) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was not disclosed publicly
- ☒ (C) We did not vote against any shareholder resolution proposed/filed by a PRI signatory