

Responsible Investment Dashboard Q2 2024

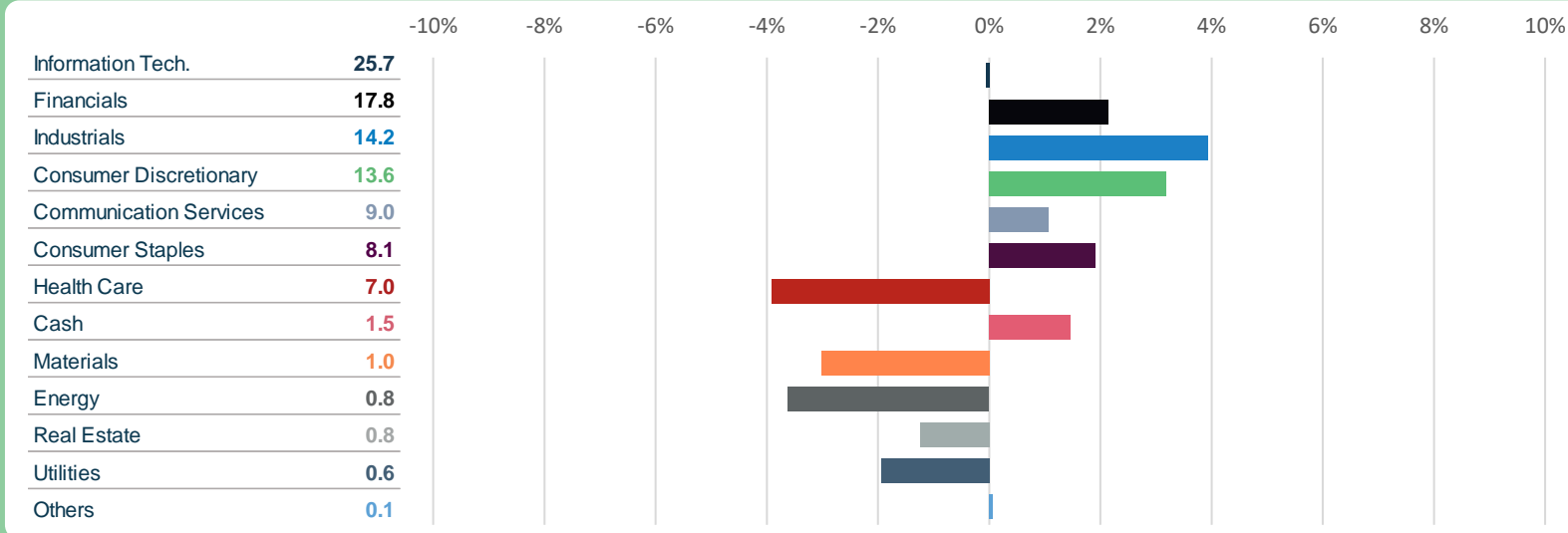
1. Portfolio Insights

Listed Equities (LPPI Global Equities Fund)

Sector Breakdown (%)

LPPI Global Equities Fund Sector Weights vs MSCI ACWI ND

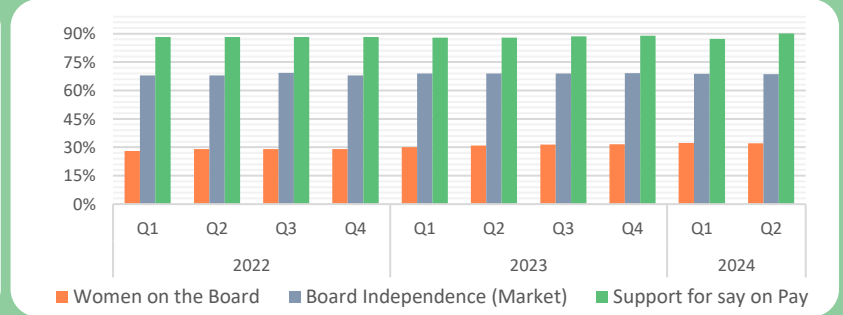
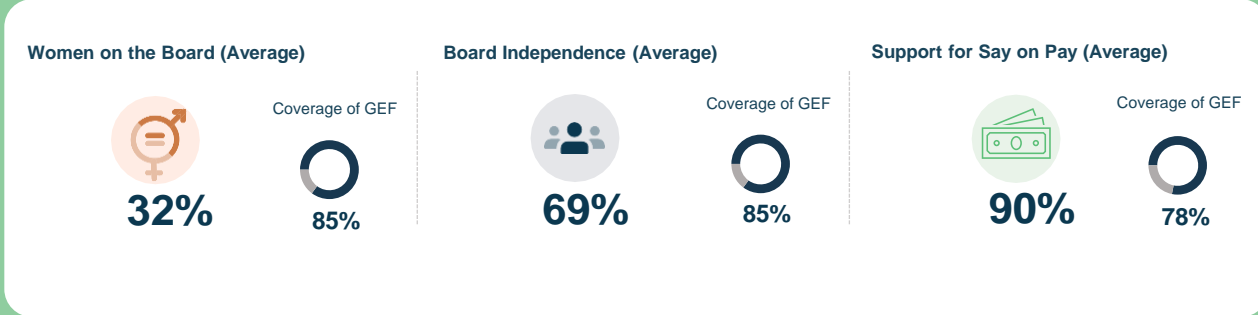
Top 10 Positions



Rank	Company	Portfolio (%)
1.	Alphabet Inc	4.6
2.	Microsoft Corp	4.4
3.	Visa Inc	2.9
4.	Accenture PLC	2.3
5.	Intuit Inc	2.0
6.	Adobe Inc	1.8
7.	London Stock Exchange Group PLC	1.8
8.	Moody's Corp	1.8
9.	Booking Holdings Inc	1.7
10.	Texas Instruments Inc	1.7

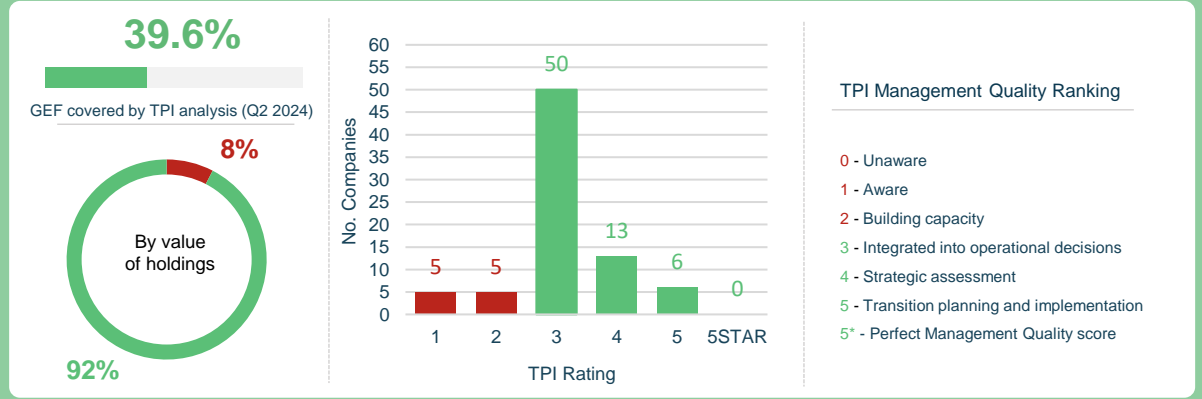
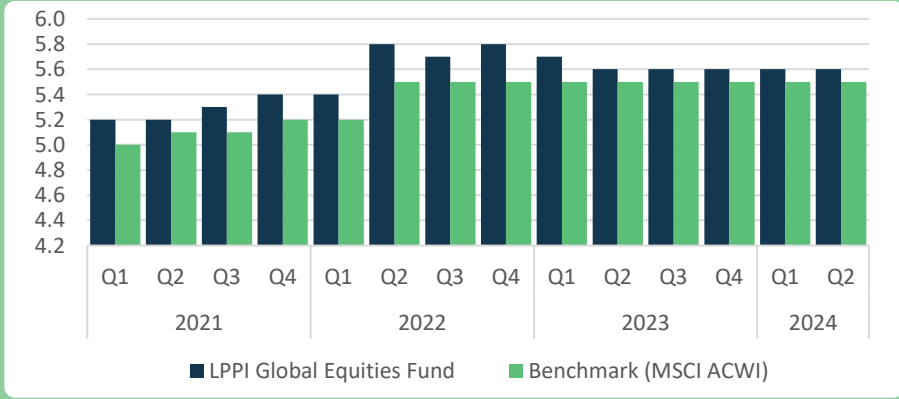
Governance Insights (ISS DataDesk)

Governance Insights (Timeseries)



Portfolio ESG Score (MSCI ESG Metrics)

Transition Pathway Initiative – Management Quality Headlines



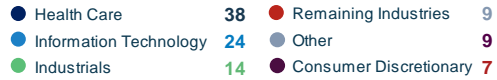
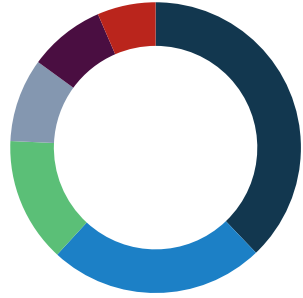
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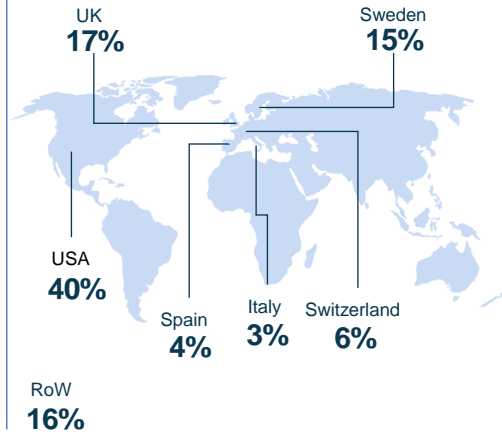
Other asset classes

Private Equity (LPPI Private Equity Fund)

Industry Breakdown (%)

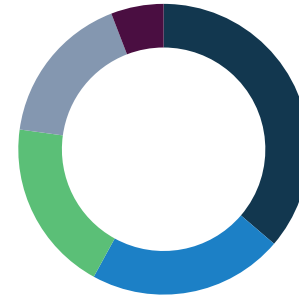


Region Breakdown (%)

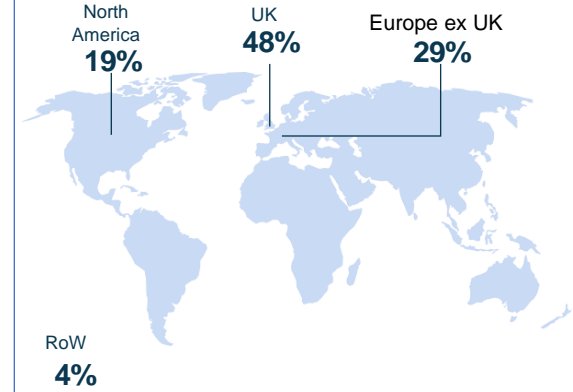


Infrastructure (LPPI Global Infrastructure Fund)

Industry Breakdown (%)



Region Breakdown (%)



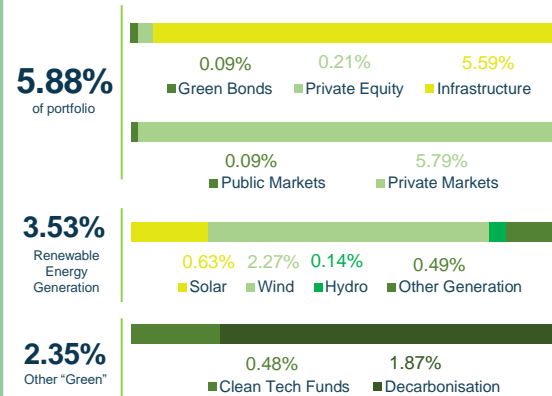
Green & Brown Exposure

Total % of the portfolio that is in scope of Green and Brown

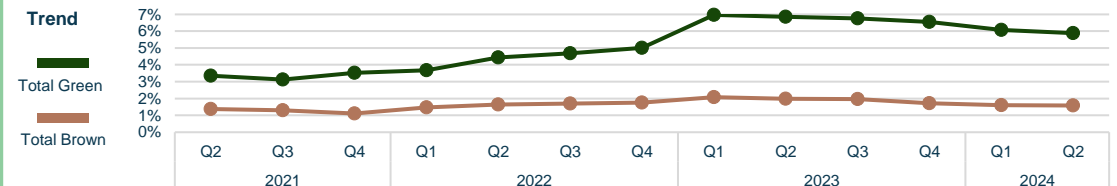


Green

Investments in businesses directly contributing to the global transition to a lower carbon economy, expressed as a % of the total value of the pension fund.

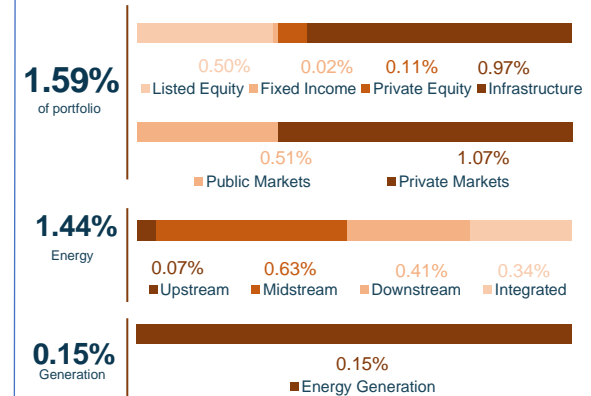


Trend



Brown

Investments in traditional energy (based on fossil fuels) expressed as a % of the total value of the pension fund.

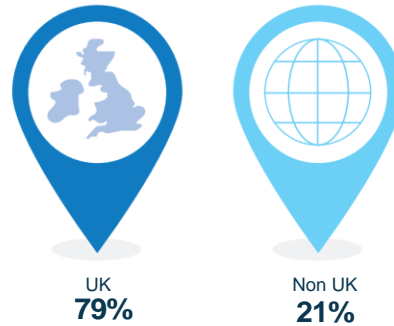


Real Estate (LPPI Real Estate Fund)

Sector Breakdown (%)



Geographical Exposure (NAV %)

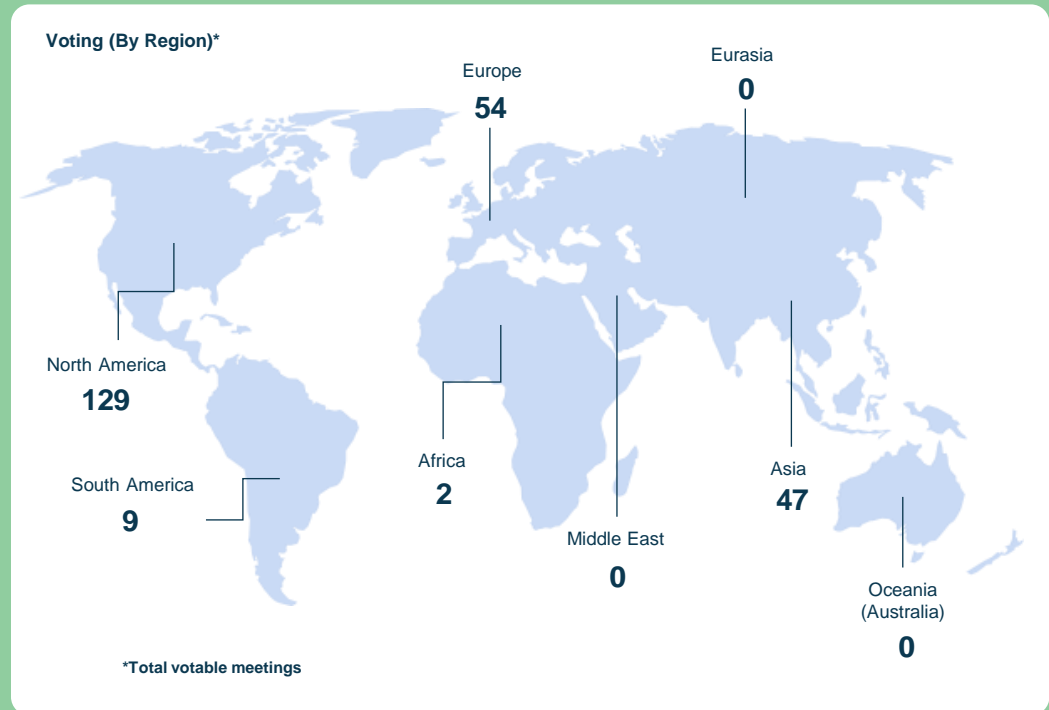
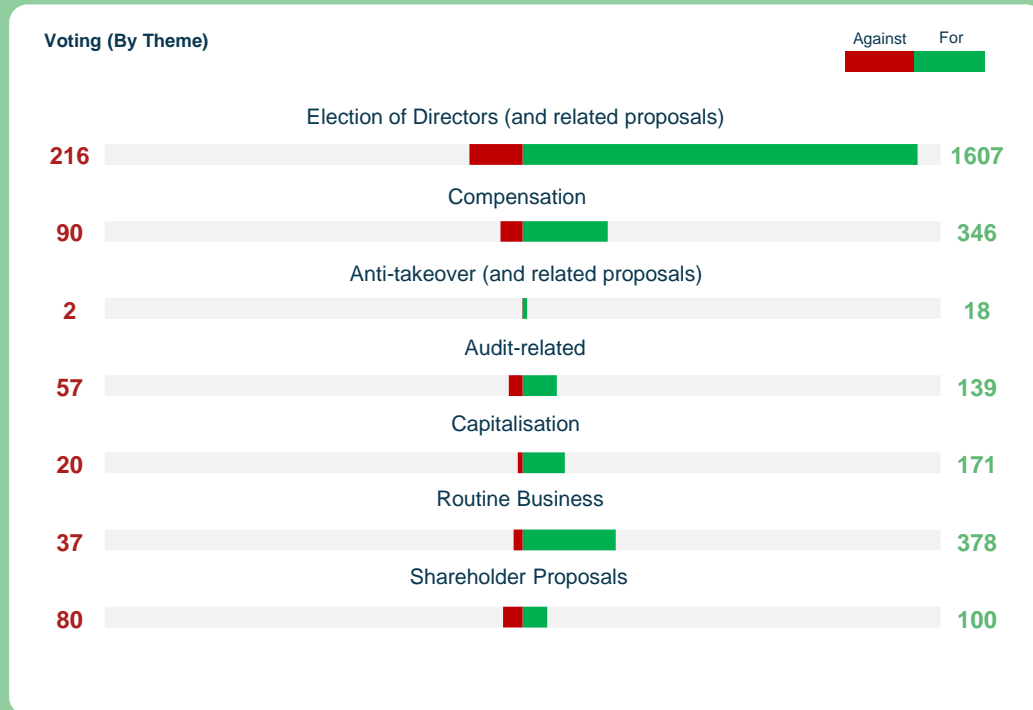
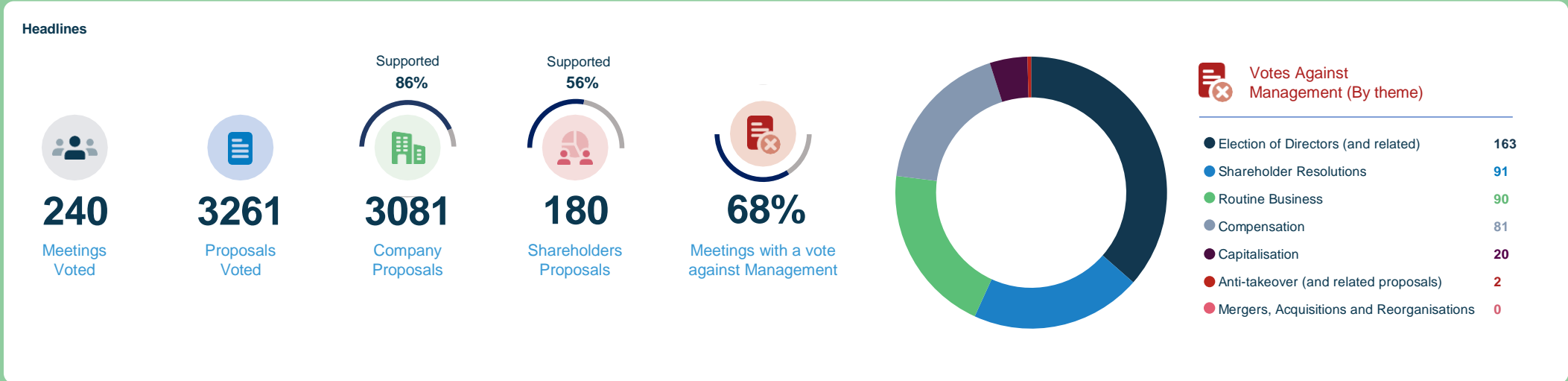


The above Green and Brown metrics apply to parts of the portfolio which have exposure to a specific set of activities as per our definition of Green and Brown, and which are quantifiable at the time of publication (please see appendix). LPPI's Responsible Investment team endeavours to provide clients with the most expansive picture of exposure possible.

2. Stewardship Headlines

Shareholder Voting

Shareholder Voting Statistics (LPPI Global Equities Fund)



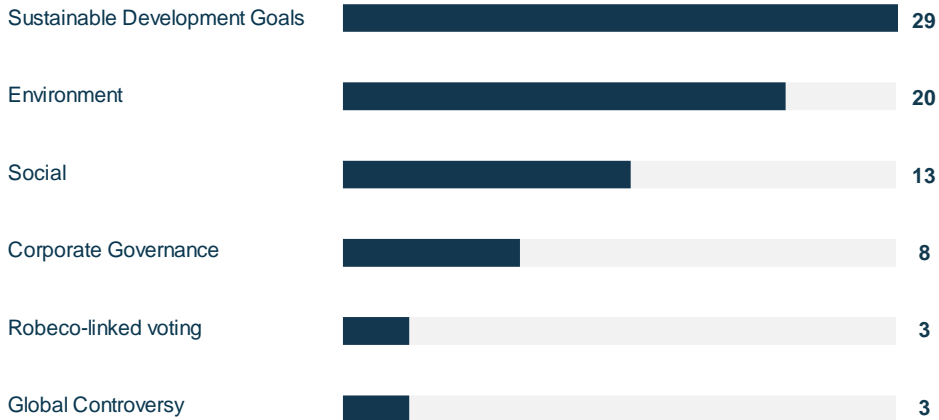
Responsible Investment Dashboard Q2 2024

2. Stewardship Headlines

Engagement (Public Markets): Robeco

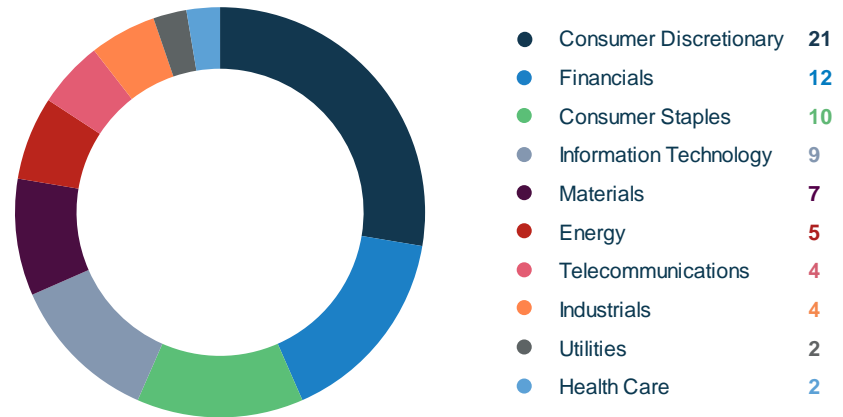
The following data is specifically related to the companies in LPPI's portfolio and the engagements Robeco undertake on our behalf.

Activity (By Topic)

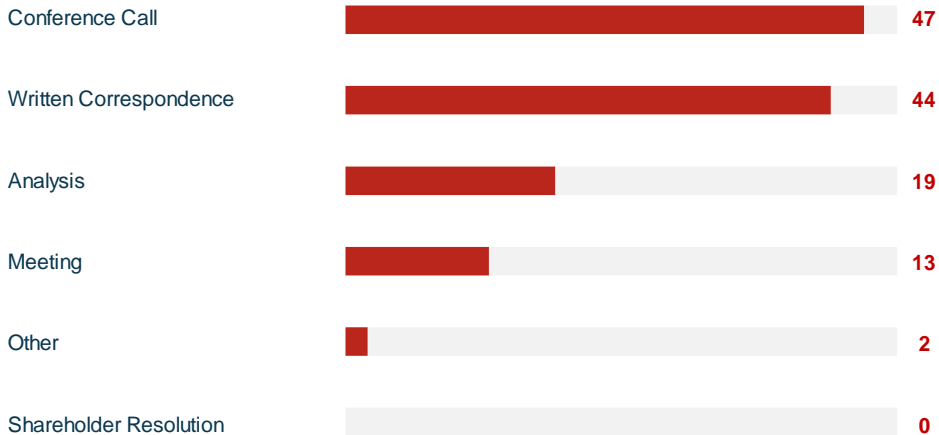


Sustainable Development Goals: <https://sdgs.un.org/goals>

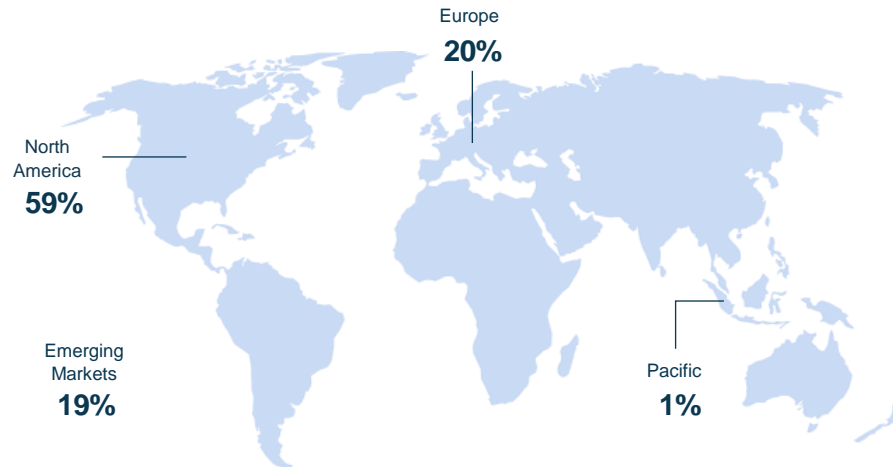
Activity (By Sector)



Activity (By Method)



Activity (By Region) (%)



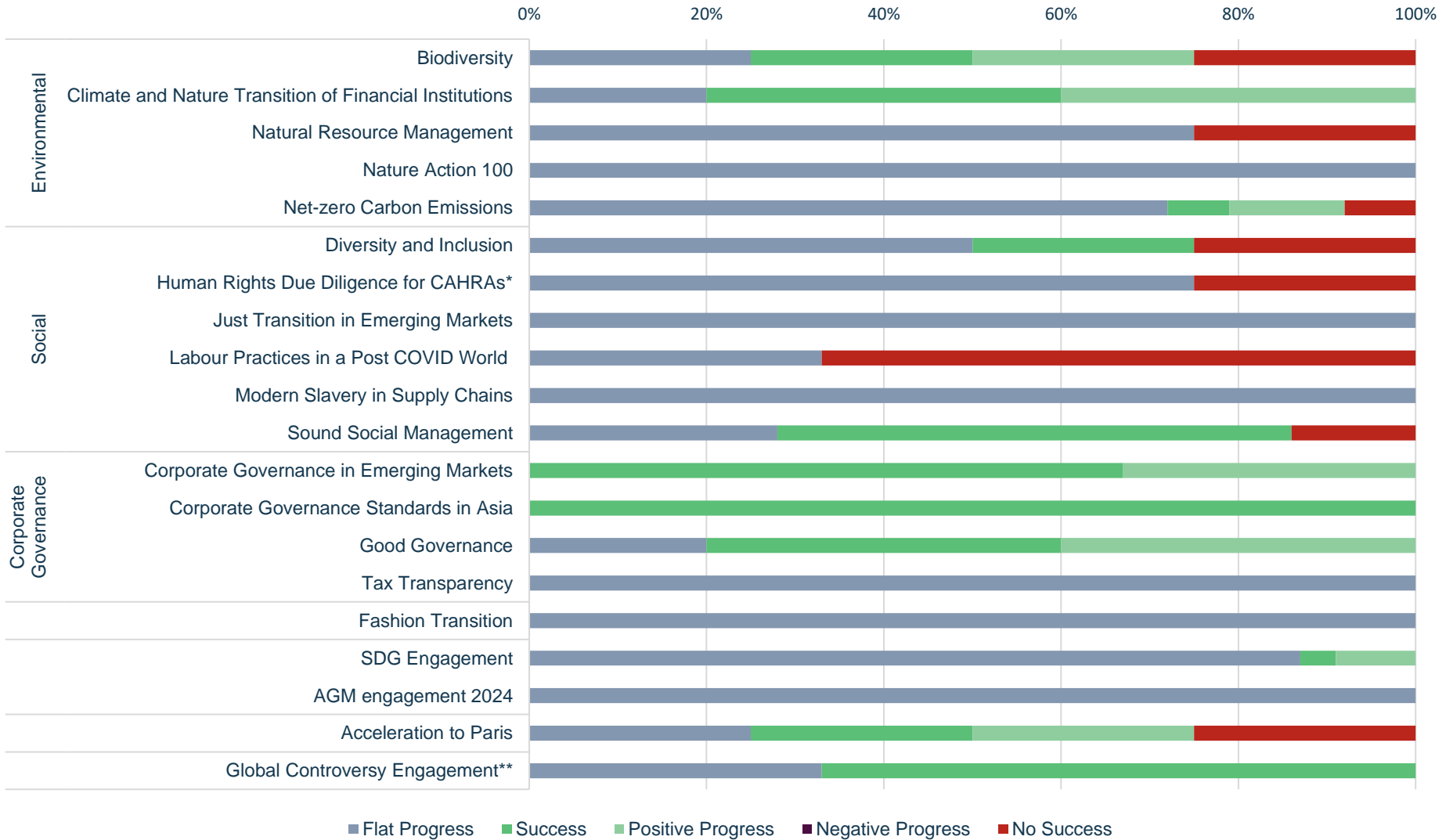
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2. Stewardship Headlines

Engagement (Public Markets): Robeco

The following data is specifically related to the companies in LPPI's portfolio and the engagements Robeco undertake on our behalf.

Engagement Results (by Theme)



*CAHRAs - Conflict-Affected and High-Risk Areas

**Global Controversy Engagement - companies under engagement based on potential breaches of the UN Global Compact and/ or the OECD Guidelines for Multinational Enterprises.

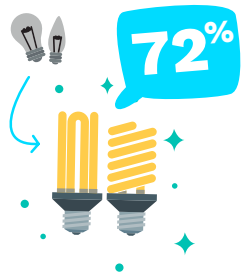
Source: Robeco Active Ownership Report Q2 2024

PROLOGIS US TARGETED LOGISTICS FUND: 3.6% of LPPI Real Estate IPV



USLF is an open-ended fund that provides an opportunity to invest in a diversified portfolio of logistics real estate assets with compelling fundamentals due to economic growth across the U.S., increasing consumption, supply chain modernisation and expanding e-commerce.

As part of the Fund's annual business plan for FY24, Prologis have set objectives and targets to improve USLF's ESG profile and lay the foundation for USLF's net zero journey.



LED lighting

LED lighting installed in USLF's operating properties is **72% as of Q2 2024** which exceeds the Fund's annual business plan goal of installing LED lighting in 70% of its portfolio.



Energy data coverage

USLF aims to **increase its data coverage** through further **collaboration with its customers**, focusing efforts on gathering data in markets that are subject to energy benchmarking ordinance and **exploring smart meter implementation within the portfolio.**



USLF set an annual business plan target for 2024 to **increase its asset-level energy data coverage from 19% to 25%** (reflecting a 6% increase). Following discussions with Prologis' global ESG Team, current expectations are that the data coverage by year-end will be **between 60%-70%** (a 40%-50% increase relative to the prior year), **reflecting a significant improvement in data coverage relative to target.** This is likely to result in an improvement in GRESB score for future submissions.



On site solar generation capacity

USLF currently has **31 assets with solar installations producing 44MWs.** The Fund's annual business plan target is to achieve 50MW of solar installations. Please note, some of the Fund's solar installations have been decommissioned by the solar project owners.

Prologis' ESG, IT and Energy teams have established a new **Energy and Carbon Data Management System (ECDM)** that focuses on consistently improving data coverage with the ability to identify solutions for **Prologis and USLF customers to improve operational efficiency.**

OCTOPUS HEALTHCARE FUND: 4.7% of LPPI Real Estate IPV

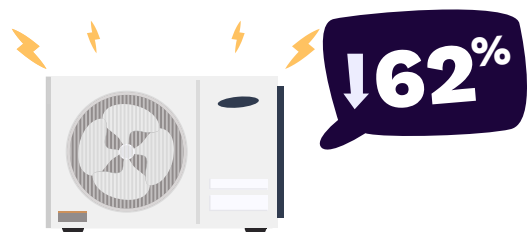


The Octopus Healthcare Fund (OHF) acquires high quality, purpose built elderly care homes as existing investments or through forward funding transactions, which are then let to healthcare operators on long leases.

The Manager has continued to work with Envision, the Fund's retained sustainability consultants, to expand their ESG strategy. This includes:

- Newly acquired BREEAM In-Use assessments
- BREEAM In-Use upgrades
- Introducing a WLCA (Whole Life Carbon Assessments) programme

The Manager has also been reviewing alternative solutions to reduce the upfront embodied carbon emissions.



Average reduction in operational carbon

The Manager has now completed 15 WLCAs, which has resulted in OHF implementing **five all-electric designs with air source heat pumps across the portfolio**. The all electric systems have a **62% average reduction in operational carbon compared to the natural gas systems**. It should also be noted that high quantities of refrigerant are used within all-electric systems and therefore drive up the in-use embodied carbon.



Upfront embodied carbon review

In addition, the Manager has also been reviewing the upfront embodied carbon. The assessment compared the portfolio average against **three different alternative construction types: a timber frame, a 70% recycled lightweight steel frame solution (SFS) and a low embodied carbon concrete block structure**. **Timber frames have the lowest associated embodied carbon, followed by concrete block and then highest is the SFS**. This is due to current steel manufacturing methods in the UK - the 70% recycled content was not high enough to effectively drive down the embodied carbon, as the average steel recycled content in the UK is already around 60%. Furthermore, due to the relative simplicity of the concrete block structure for a care home, there are inherent embodied carbon savings from this construction method.

INVESCO EUROPEAN HOTEL FUND: 0.5% of LPPI Real Estate IPV



The strategy provides access to opportunities that aim to enable stable long-term returns with the potential for value growth through investments in leased hotel properties. Invesco target investment in high quality assets in key gateway cities in Europe, focusing on high barrier markets with long-term growth potential.

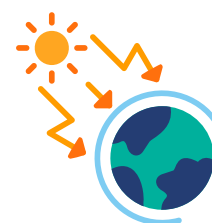
Invesco recognise there are environmental, social and economic implications to all of the decisions they make as an investment manager. Therefore, in assessing risks and opportunities regarding Environmental, Social, Governance and Resilience (ESG+R), they remain focused on the financial implications of their decisions as well as the social and environmental impact to drive performance.

Annual ESG+R Goals are developed from the portfolio's overall ESG+R approach and objectives set across the fund. The ESG+R Goals are designed to encourage accountability and are sought to be met.



Invesco Real Estate

European Hotel Fund (EHF) has participated in the annual **GRESB Assessment since 2018**. In the 2023 GRESB Assessment, EHF ranked first out of 7 participants within the Europe, Hotel, Core ,Tenant Controlled group, with an overall score of 91. **In 2023, the Fund achieved five out of five Green Stars for the third year in a row.**



Minimum Greenhouse Gas Emissions

Keeping **Greenhouse Gas (GHG) emissions to a minimum is another vital component to Invesco's ESG+R strategy.** To achieve this, Invesco calculates its greenhouse gas emissions through the energy consumption data that is collected across its properties. **Invesco calculates carbon emissions using a location-based approach.** In March 2021, Invesco became a signatory to the Net Zero Asset Managers Initiative (NZAMI).



Sustainability Certifications

The EHF consistently monitors and evaluates the **current and potential sustainability certifications and/or rating eligibilities of each property throughout the portfolio.** Sustainability certifications and ratings help act as a guideline for property teams to better manage and thus deliver more sustainable, high performing properties.



Reduce Water Consumption

Invesco are **committed to keeping track of and identifying opportunities** to reduce water and waste consumption across their properties:

- They require their **property teams to track landlord-paid water usage**, as well as tenant usage where available.
- They regularly **monitoring waste and recycling**, as well as acquiring data on the weights from haulers where available.

Portfolio Insights (Pages 1 - 2)

Sector Breakdown (%)

- Identifies the Global Equities Fund's ("GEF") sector breakdown and their proportions.

GEF Sector Weights

- Comparison of sector weights against their benchmark.
- The larger the bar the bigger the difference between GEF and benchmark weightings.
- Where a positive number is shown, this indicates the GEF is overweight to a sector.
- Where a negative number is shown, this indicates the GEF is underweight to a sector.

Top 10 Positions

- The top 10 GEF companies as a % of the asset class portfolio.

Governance Insights

- **Women on the board:** A measure of gender diversity based on the average proportion of female board members for companies in the GEF.
- **Board independence:** The average proportion of board members identified by ISS as independent. Please note independence expectations vary across markets with LPPI generally favouring greater independence.
- **Say-on-pay:** The average investor support for the most recent say-on-pay vote at a company meeting. Please note not all markets require say-on-pay votes. A vote of greater than 20% against (support < 80%) is generally considered significant.

Portfolio ESG Score

- This is a relative indicator and not a measure of portfolio ESG risk exposure.
- Individual companies are assigned an ESG score (between 0-10). The final numbers shown in the bar chart are the weighted averages of these scores for the stocks held in the GEF vs its benchmark through time.
- This table is a comparison with the benchmark and reviews changes over time.
- LPPI utilise an established methodology (developed by MSCI) for determining the ESG score of stocks within the GEF. Further details can be found here: <https://www.msci.com/documents/1296102/21901542/MSCI+ESG+Ratings+Methodology+-+Exec+Summary+Nov+2020.pdf>
- The higher the score shown, the better the ESG credentials of the GEF / benchmark.

Portfolio Insights (Pages 1 - 2)

Transition Pathway Initiative (TPI) Headlines

- TPI assess how well the largest global companies in high carbon emitting sectors are adapting their business models for a low carbon economy.
- The % of GEF covered by TPI shows the portfolio exposure to high emitting companies.
- The number/proportion of companies with top scores (TPI 3 to 5*) is a measure of the quality of transition management by the high emitting companies held within the GEF.
- Detailed TPI methodology can be found through the following link: <https://www.transitionpathwayinitiative.org/publications/2023-methodology-report-management-quality-and-carbon-performance-version-5-0>

Private Market Asset Classes

- These metrics indicate the industry sector and regional breakdown as a % of the asset class for Private Equity, Infrastructure and Real Estate investments.

Green & Brown

- These metrics indicate the Pension Fund's total portfolio exposure (%) to green and brown assets. Current coverage extends to: Listed Equities, Fixed Income, Green Bonds, Private Equity, and Infrastructure.
- These are further broken down into their sectors/activities related to green and brown.
- Please be aware that due to rounding within the different breakdowns the totals may not sum correctly.

Green

These are investments in renewable energy and sectors/activities assisting in renewable energy generation, low carbon tech and wider decarbonising activities. Where possible, these assets are identified at the sub-industry GICS level for each underlying asset. Further LPPI analysis is undertaken where GICS does not provide enough detail.

Brown

Investments in energy and power generation based on fossil fuel activities, including: extracting (upstream), transporting (midstream), refining (midstream), supplying (downstream), or some energy companies that legitimately span all aspects (integrated). Fossil fuels used to generate energy is part of electricity generation. These assets are identified at the sub-industry GICS level for each underlying asset.

Stewardship Headlines (Pages 3 - 5)

Shareholding Voting

- Key shareholder voting metrics for LPPI's GEF.
- The Headline section provides insight into the scope of voting activity, including how votes against management is concentrated.
- LPPI is responsible for voting on each decision taken, working in partnership with Institutional Shareholder Services to best inform views prior to taking action.
- The map of votes per region is included because different jurisdictions have different voting seasons. This provides context to the reporting of voting statistics quarter to quarter as votes take place in batches depending on the companies domicile at different points throughout the year.

Engagement (Public Markets)

- Engagement is an active, long-term dialogue between investors and companies on environmental, social and governance factors, which can be executed through a variety of channels.
- LPPI has engaged an external provider (Robeco Active Ownership Team) to supplement dialogue underway by LPPI and external delegate managers.
- This section outlines the engagement activities undertaken by Robeco in the public markets by topic, sector, method, and region (indicating the number of companies engaged / geographical distribution).
- "Activity by method" summarises engagements by category / method and can include multiple inputs from the same company.
- The updated Robeco Active Ownership report summarises our engagement activities for the quarter and breaks them down into sub-sectors, where they are rated on success/progress (shown as a %).
- Page 9 of the Robeco stewardship policy outlines further details of their process: <https://www.robeco.com/docm/docu-robeco-stewardship-policy.pdf>

Real World Outcomes (Pages 6 - 7)

- This section provides case studies which highlight positive ESG outcomes arising from the Pension Fund's holdings.
- The focus of the real-world outcomes rotates between asset classes for each quarter in the following pattern:
 - Q1 – Infrastructure
 - Q2 – Real Estate
 - Q3 – Private Equity
 - Q4 – GEF
- The case studies offer bite sized insights on positive outcomes being achieved and contributed to by companies held by the portfolio.

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