

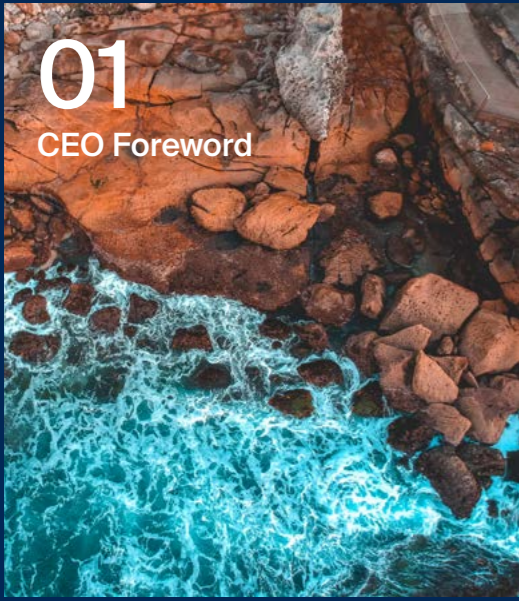


First Sentier
Investors

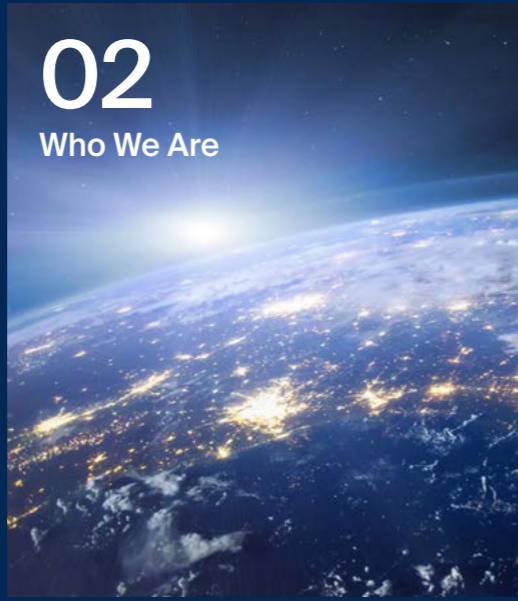
Corporate Sustainability
Report 2022



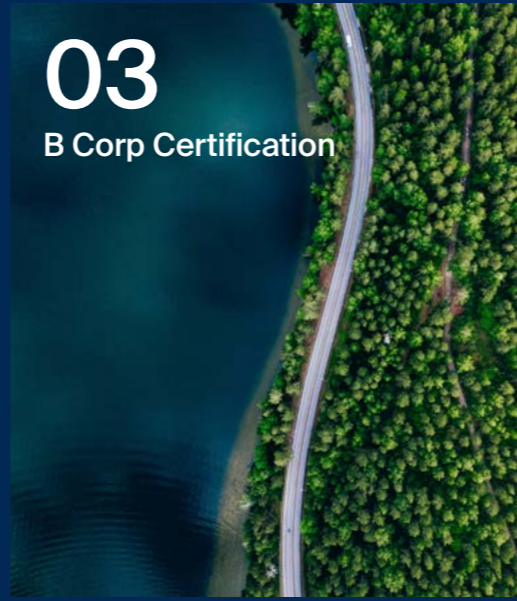
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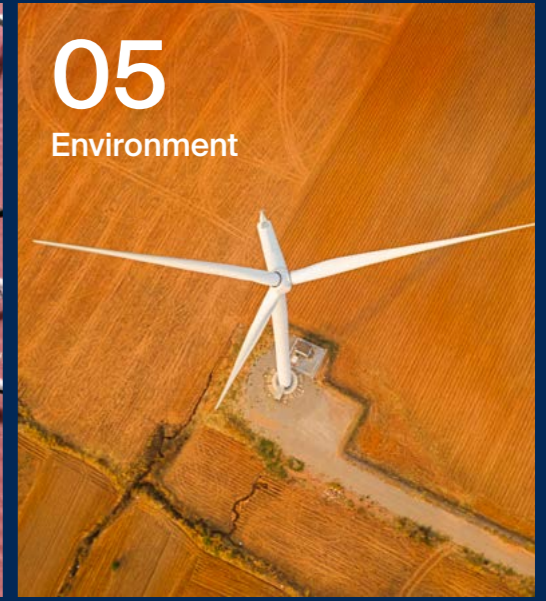
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Acknowledgement of Country

First Sentier Investors acknowledges the First Peoples of Australia and recognises their ongoing role as Traditional Owners and Custodians of the land of this country, and their continuing connection to the land, culture and community.

We acknowledge the Gadigal of the Eora Nation, who are Traditional Owners of the land known as Barangaroo, where our company head office is located.

We acknowledge our Aboriginal and Torres Strait Islander employees, partners, and stakeholders, and pay our respects to their Elders, both past and present.



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01 | CEO FOREWORD



01 | CEO Foreword



I am delighted to share our Corporate Sustainability 2022 Report. This report provides an update on the progress we have made against our environmental, social and governance objectives as a business.

Environmental, social and governance (ESG) issues are evolving quickly and many businesses recognise the need to manage these risks, as well as play a role in building a sustainable future. In line with our Responsible Investment principles, we know that as a business, we too must keep pace with the same high expectations that we place on the companies we invest in. That is why, in 2022, we established a Corporate Sustainability function, providing a dedicated team focused on applying ESG principles to our own global operations.

In this report, we share our key achievements along with areas for ongoing development. Through case studies and examples of our activities in action, we highlight how we are progressing against the Corporate Sustainability objectives we set for ourselves in the areas of Environment,

Supply Chains, Community, and Diversity, Equity and Inclusion (DE&I). Notably, we became a globally Certified B Corporation in 2022, which provides an important framework against which we can assess our business operations, helping us to continue to improve our ESG standards.

We believe our commitment to responsible investment, coupled with our focus on sustainable business operations, enables us to contribute to addressing a range of global challenges.

Mark Steinberg

Chief Executive Officer



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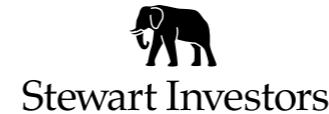
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02 | WHO WE ARE



02 | Who We Are

First Sentier Investors is an active investment manager with a diverse range of individual investment teams who operate with discrete investment autonomy and share a commitment to responsible investment. It is the home of individually branded teams FSSA Investment Managers, Igneo Infrastructure Partners, Realindex Investments, and Stewart Investors.



We are stewards of A\$215.5 billion in assets¹ on behalf of institutional investors, pension funds, wholesale distributors and platforms, financial advisers and their clients.

Our vision



To be a provider of world-leading investment expertise and client solutions, led by our responsible investment principles.

Our purpose



To deliver sustainable investment success for the benefit of our clients, employees, society and the shareholder.

Our values

Care



We care about our clients, society and each other

Openness



We are open with each other and to different ways of thinking

Collaboration



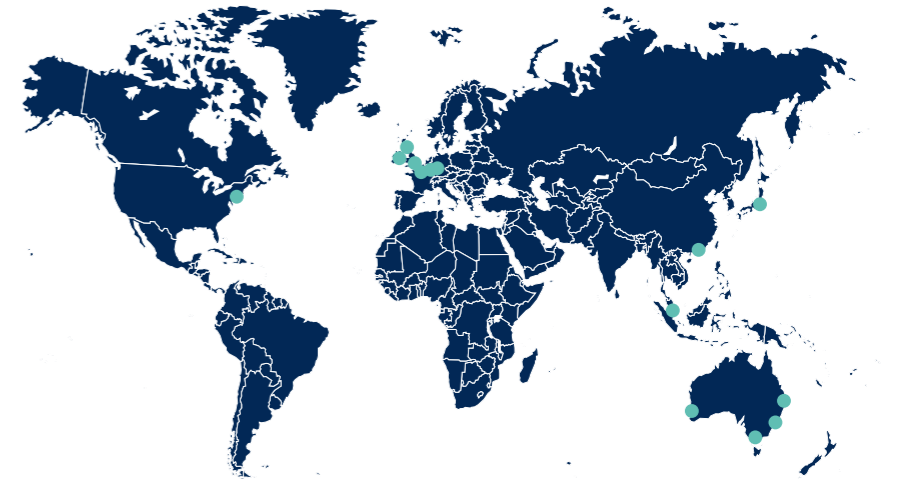
We collaborate to deliver the best solutions

Dedication



We are dedicated to being experts in our respective fields

Our offices



Our Employees

	Total employees	Investment employees
UK and Europe (Dublin, Edinburgh, Frankfurt, London, Luxembourg, Paris)	401	69
Asia (Tokyo, Hong Kong, Singapore)	180	39
Australia and New Zealand (Brisbane, Melbourne, Perth, Sydney)	413	118
North America (New York)	44	17
Total	1038	243

Source: First Sentier Investors as at 31 December 2022.

1. As at 31 December 2022



Our approach to Responsible Investing

As long-term investors, we know that the decisions we make can impact communities today, tomorrow and in years to come. Responsible investment (RI) is at the core of how we operate as a business and allocate capital for our clients, and we are committed to transparency and accountability regarding our performance in this area.

In relation to Environmental, Social and Governance (ESG) risks and opportunities, our investment teams and RI team are primarily focused on four areas: climate change, human rights and modern slavery, diversity and inclusion, and nature and biodiversity.

Focusing on these primary areas allows us to concentrate our resources more effectively and improve FSI's visibility across these areas. We acknowledge that each of these areas presents large, complex problems to address, that no single business can tackle alone, and we continue to collaborate with others to make a difference.

Given our diverse investment teams and investment processes, the specifics of how each team implements their approach to responsible investing varies, however, all teams share the following ESG Investment Beliefs:



- As a global investment manager, we have the opportunity and responsibility to allocate our clients' capital in a way that drives positive social and environmental outcomes within the context of our investment strategies.
- Incorporating ESG considerations as sources of long-term risk and opportunity into our investment approach helps us to make better decisions, leading to stronger long-term investment performance for our clients.
- As active investors, we can contribute to better outcomes on behalf of our clients and broader society.

Our approach is underpinned by the following aspirations at a firm and investment team level:

Our firm aspirations

-  To engage in public policy debates and collaborate through industry initiatives
-  To communicate openly and clearly with our clients regarding ESG issues
-  To hold ourselves, as a business, to the same standards as those we expect of the companies we invest in
-  To foster a culture that supports principles of stewardship and responsibility
-  To adhere to all relevant regulatory requirements and industry codes

Our investment team aspirations

-  To assess and monitor, on an ongoing basis, our investments for relevant ESG risks and opportunities
-  To engage in an active dialogue with companies and entities that we invest in



To document engagement activities and any issues raised to be followed up and reviewed periodically



To develop an engagement strategy with escalation points where a company is not recognising or addressing ESG concerns



To exercise our right to vote whenever possible



To measure and report on the ESG outcomes of our investments as evidence of our approach to RI



To not invest in certain companies on ethical grounds¹

To contribute to a sustainable economy and society, we seek to collaborate with our clients, competitors and broader stakeholders. We do this by participating in industry forums, actively engaging with investee companies, regulators and policy makers, and publishing thought leadership, all with the intent of effecting change.

As active investors, we are focused on both improving our operational ESG impacts and acting as responsible stewards of our clients' capital. Further information about our approach to responsible investing can be viewed in our [2022 Responsible Investment Report](#).

1. A list of our exclusions is available on our website



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03 | B CORP CERTIFICATION



03 | B Corp Certification

Certified



Corporation

In 2022, First Sentier Investors became a globally Certified B Corporation (B Corp).

The B Corp Certification provides a framework that we can use to effectively assess our operations against high standards from an environmental, social and governance point of view, as well as to identify areas where we can improve. The designation demonstrates that we are striving to hold ourselves to the same standards that we expect of our investee companies.

To receive a B Corp certification, a B Impact Assessment (BIA) is conducted to assess FSI's practices and policies across five categories, outlined in the table to the right (Table 1). To maintain certification, B Corp certified companies must update their BIA and verify their B Impact score every three years to ensure they continue to meet the rigorous, evolving standards.

We achieved an [overall B Impact Score](#) of **107.2**. The minimum score for B Corp certification is 80 points.

As a B Corp, we have joined a community of over 6,000 like-minded businesses globally. When it comes to tackling the complex and global issues facing people and the planet, we recognise that no company operates in isolation. Collaboration and co-operation is key to delivering value to the broader society, and we look forward to actively engaging and partnering with the B Corp community and beyond to share business practices, challenges and opportunities that encourage and contribute to meaningful change.

Table 1: B Impact Assessment categories

Governance	Workers	Community	Environment	Customers
<p>16.1 out of 25</p> <p>Governance evaluates a company's overall vision and engagement around its social and environmental impact, ethics, and transparency. Governance also evaluates the ability of a company to protect their vision and formally consider stakeholders in decision making through their corporate structure or corporate governing documents.</p>	<p>30 out of 50</p> <p>Workers evaluates a company's contributions to its employees' wellness, health and safety, career development, and engagement and satisfaction.</p>	<p>15.1 out of 50</p> <p>Community evaluates a company's engagement with and impact on the communities in which it operates, hires from, and sources from. This considers its diversity, equity and inclusion strategy, economic impact, charitable giving, and supply chain management.</p>	<p>4.5 out of 20</p> <p>Environment evaluates a company's overall environmental management practices as well as its impact on the air, climate, water, land, and biodiversity. This includes the direct impact of a company's operations and, when applicable its supply chain and distribution channels.</p>	<p>41.2 out of 65</p> <p>Customers evaluates a company's stewardship of its customers or clients through the quality of its products and services, ethical marketing, data privacy and security, and feedback channels.</p>



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04 | CORPORATE SUSTAINABILITY STRATEGY



04 | Corporate Sustainability Strategy

A sustainable economy and society underpins prosperity for all. We are proud of our long-standing commitment to acting responsibly as both a business and as investors to shape a sustainable world.

As ESG issues evolve, our belief is that we can and should have a role in driving positive change, playing an active role in managing both risks and opportunities for the future, to help us achieve our vision to be a provider of world-leading investment expertise and client solutions, led by our responsible investment principles.

In alignment with this vision, we established our Corporate Sustainability function in 2022 with the goal to deliver and execute on a strategy to manage ESG impacts in our own business operations, with the team working across our global business to achieve this objective.

We have developed a roadmap to guide our approach and will track our progress to ensure we are accountable for delivering what we set out to achieve.

This report captures our 2022 activity, which is organised into four priority areas:



Environment

We believe that society must drastically reduce greenhouse gas emissions if we are to avoid the worst consequences of the climate crisis. Although greenhouse gas emissions in our own business operations are small compared to the emissions we finance through our investments, we are committed to reducing the environmental impacts of our business operations in all the locations in which we operate.



Supply chains

We believe that organisations have legal, moral and commercial obligations to respect human rights and remediate any implications on human rights in their operations and supply chains. We recognise that while we cannot control the external forces that may contribute to human rights abuses, including modern slavery, we can address and evolve our actions related to the complex challenges of this issue, both as a business and the suppliers with whom we engage.



Community

We believe we have a role in creating stronger and more resilient communities to ameliorate broader positive social changes. We can leverage our global footprint to deliver support where we think it is most needed and we connect with our strategic vision by establishing philanthropic partnerships with charitable organisations.



Diversity, Equity and Inclusion

We are committed to fostering an inclusive and equitable culture where diversity can thrive. We believe this will deliver better outcomes for our people, our clients and society, and it is the right thing to do.



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05 | Environment



Why is it important to us?

At FSI, we believe that society must drastically reduce greenhouse gas emissions if we are to avoid the worst consequences of the climate crisis.

Although we anticipate that greenhouse gas emissions in our own business operations are small compared to the emissions we finance through our investments, we are committed to reducing the environmental impacts of our business operations in all the locations in which we operate.



What is FSI doing?

Net Zero Target

In March 2022, we announced a firm-wide target to reduce greenhouse gas emissions across our business operations in line with a target of net zero emissions by 2030 (or sooner)¹.

We calculate our emissions using the World Resources Institute (WRI) and World Business Council for Sustainability Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. We currently focus our reporting on Scope 1 and Scope 2 emissions, which arise from our operations such as electricity, heat and steam, as well as indirect emissions (Scope 3) via activities such as corporate travel.

In our Hong Kong, London, New York, Singapore and Sydney offices, we measure the energy consumed within our leased space. In Edinburgh, where we occupy and manage the building, energy consumption for the whole building has been captured to reflect our operational boundary of this facility. In the locations where we use serviced offices such as in Dublin, Frankfurt, Melbourne, Paris and Tokyo, where consumption data is not currently available, we apply estimates, using a model to calculate the emissions based on square feet of occupied space, using local market consumption data.

Our Scope 1 emissions are from the combustion of natural gas in the Edinburgh office and currently excludes diesel (as part of stationary combustion) and refrigerants. While these are expected to be immaterial to our operational GHG inventory, we will look to include this in the future for completeness. Since 1 October 2022, we have purchased Green Gas² (via tariff) to replace the natural gas in our Scope 1 emissions. We do not have any company vehicles contributing to our Scope 1 emissions reporting.

Our Scope 2 emissions continue to decrease. In 2022, our offices in London, New York, Singapore and Sydney used 100% renewable electricity via energy retailers or Renewable Energy Certificates (RECs), and our Edinburgh office transitioned to 100% renewable electricity in October 2022. In Hong Kong, we are currently wait-listed for the purchase of local RECs. Our New York office also uses precinct steam for heating.

Our Scope 3 emissions arise from our business travel (relating to air travel, hotel accommodation and car hire), employee commuting and working from home. We aim to expand our Scope 3 reporting as we are able to collect more data related to emission categories in the future. While the pandemic limited our business travel and therefore our emissions across 2020 and 2021, we also recognise the need to connect in person with our clients, investee companies and colleagues, as a global business. We are continuing to monitor the impacts of our business travel and are reviewing our activities and travel policies to help manage emissions. For example, we are committing to offsetting our travel with high quality carbon credits, reducing unnecessary travel by encouraging the use of technology as an alternative where possible, and continuing to develop resources. In 2023, we will conduct training with employees responsible for booking travel to raise awareness of these impacts across our business.

Additionally, we have also identified and mapped material climate risks across the organisation and have incorporated this into our firm-wide [TCFD-aligned Climate Change Statement 2022](#).

1. This commitment covers our Scopes 1, 2 and Scope 3 emissions. Scope 3 is limited to our corporate travel activities.
2. Gases that can be used as a clean energy source, that do not produce any additional emissions when burned.



Tonnes of carbon dioxide equivalent (tCO ₂ e)			
	2020	2021	2022
Scope 1 (direct emissions) ^{1, 4}	36.68	50.96	45.15
Scope 2 (indirect emissions) – purchased electricity – location method ^{1, 2, 5}	511.39	438.22	478.27
Scope 2 (indirect emissions) – purchased electricity - market method ^{1, 3, 5}	262.93	212.73	170.16
Scope 2 (indirect emissions) – purchased heat and steam ^{1, 5}	28.86	27.83	34.93
Scope 3 (indirect emissions) – Category 6 business travel	725.01	315.39	5,372.93
Scope 3 – Employee commute ⁶	-	-	286.6
Scope 3 – Working from home ⁶	-	-	62.83
Total emissions (Scope 1 & 2 – location based, and Scope 3)	1,301.94	832.40	6,280.71
Total emissions (Scope 1 & 2 – market based, and Scope 3)	1,053.48	606.91	5,972.6

1. Emission factors for Scopes 1 and 2 reference published regional emissions factors from government and utility publications. Where 2022 government data was not available at the point of extracting the data, we have applied the emissions factor from the previous year as a proxy. Emission factors for scope 3 emissions are based on DEFRA UK's published emission conversion factors.

2. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

3. A market-based method reflects emissions from electricity that the company has purposefully chosen. This takes into account FSI's procurement of renewable electricity. It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims.

4. Our Scope 1 reporting currently excludes diesel (as part of stationary combustion) and refrigerants. While they are expected to be immaterial to our operational GHG inventory, we will look to include this in the future for completeness. Since 1 October 2022, we have purchased Green Gas (via tariff) to replace the natural gas in our Scope 1 emissions. FSI does not own any company fleet, and therefore there is no associated transport fuel for Scope 1 (mobile combustion).

5. For Scope 2 emissions, we use actual consumption data from our head leased head offices, and apply estimates for our serviced offices and our Melbourne office where actual consumption data is not currently available. We will endeavour to include metered consumption data where available in future reporting.

6. This is newly reported in FY22. Our working from home and employee commute emissions are calculated from a staff survey to obtain data regarding employee commuting methods and method of travel to work. 58% of staff responded to the survey in 2022 and results were scaled to match the number of employees at each office. The distance-based calculation from GHG Protocol, which calculates emissions based on employee commuting patterns, was used.



Case study

Rethinking IT asset disposal

In 2022, our IT team classified 400 hardware assets (including desktop and laptop computers, monitors and smaller items such as keyboards), that had reached the end of their life cycle in our UK and European offices. We engaged with Green Safe IT, a specialist in IT asset disposal, refurbishment and recycling with a focus on supporting the circular economy, to advise on asset disposal.

Of the assets provided, Green Safe IT advised us that 74.5% were resold for reuse and 25.5% were recycled. This resulted in:

- **277.04kg** of assets recycled
- **2,680.6kg** CO₂ were reduced
- **3.97kg** of Toxic Metals were reduced
- **226,784kg** of CO₂ through recycling
- **915.49kg** of CO₂ saved through reuse
- **134,900,000** litres of water saved

In 2023, we will investigate similar processes across our other offices locations. We are also investigating options to facilitate the secure donation of assets to charities that support our philanthropic strategy to 'build sustainable lives through education'. Data security is a fundamental consideration within this process.



Case study

Our headquarters

Our headquarters are located in International Towers, Barangaroo in Sydney – Australia's first large-scale carbon-neutral community. This precinct reflects our commitment to creating a working environment that aligns with our values as responsible investors and as a sustainably conscious business, offering our employees with a space that promotes health, wellness and an environmentally-conscious mindset.

The sustainability credentials of this office have informed many of the objectives outlined in our Property Guidelines, that define a framework of sustainability standards recommended for future leased and serviced offices globally, and our Office Fit-out and Refurbishment Guidelines, which outline a framework for the fit-outs of our other office spaces, both of which were developed in 2022. Whilst we recognise that, due to a number of factors, not every aspect of these guidelines or the sustainability credentials of our Sydney Barangaroo office can be consistently achieved in all of our offices globally, it has helped to shape and inspire many of our decisions regarding our office footprint and refurbishment decisions.

Building sustainability credentials:

- 1st Global Real Estate Sustainability Benchmark (GRESB) ranking in 2021, first to score a perfect 100%
- Part of Climate Active Certified Carbon Neutral Precinct
- 6 Star NABERS Energy
- 6 Star NABERS Water
- 6 Star NABERS Waste
- 6 Star NABERS Indoor Environment
- WELL Core & Shell Platinum
- 6 star Green Star – Design & As Built
- 6 Star Green Star – Performance

Our office spans two leased floors and includes meeting spaces, a high-quality front of house area, a vast break out space and interconnecting stairs. We relocated to this office in 2019 and continue to support the precinct's environmental and social objectives. In addition to the building's certifications, we have achieved:

- 6 Star NABERS Energy Tenancy (with GreenPower) Certification
- 6 Star Green Star - Interiors rating

We are also working towards a WELL v2 PILOT – GOLD rating (targeted level), which we are expecting to achieve in late 2023.





Environmental features



Air

Our air is 100% filtered fresh air that is supplied centrally via the building's 'One Pass' filtration system. The building's heat rejection air conditioning system also means we do not require cooling towers.



Water

Our office is connected to the precinct water recycling system which captures rainwater for our toilets, reducing our demand on potable water.



Energy

Our office is powered by 100% renewable electricity. Workstations are positioned on the perimeter of the floor plan to maximise exposure to natural light. Energy demand is minimised via window

glazing and an automatic blinds system to reduce direct sunlight and solar glare. Similarly, the building is thermally regulated using Sydney Harbour seawater to reduce demand on potable water.



Waste

Our office waste is separated into 15 waste streams by the International Towers precinct. Our waste generation is tracked and reported monthly, identifying our recycling and landfill diversion rates.

For the period January to December 2022, our tenancy achieved an average monthly diversion from landfill rate of 86%.

Sustainable workplace design

The design of our headquarters celebrates the Japanese way of 'Wabi Sabi' – the beauty of transience and imperfection.

We selected materials with low volatile organic compounds and low formaldehyde to reduce air pollution and improve air quality. Batteries are recycled in a central area to limit hazardous waste, which is managed separately through the comprehensive base building waste management system. Similarly, our electrical and mechanical equipment were selected to ensure low levels of mercury.

The interior design offers spaces that support collaboration and quieter, focused working. These are complemented by 'unplugged' meeting spaces that encourage face-to-face interactions as well as a designated 'reflection' space for contemplation and restoration.

To counter the sedentary behaviour common to office working, the office promotes physical movement in its 'active' design. For example a central staircase connects our two floors and a centralised kitchen creates a shared space for staff to congregate and eat lunch in. The majority of workstations are sit/stand desks, and all our chairs and monitors are adjustable so people can individually find the right configuration for their bodies. We also provide regular opportunities to meet with an on-site ergonomic consultant to ensure workstation set up is correctly set up for each individual.

Community and wellness features

Design elements that foster a diverse and inclusive sense of community:

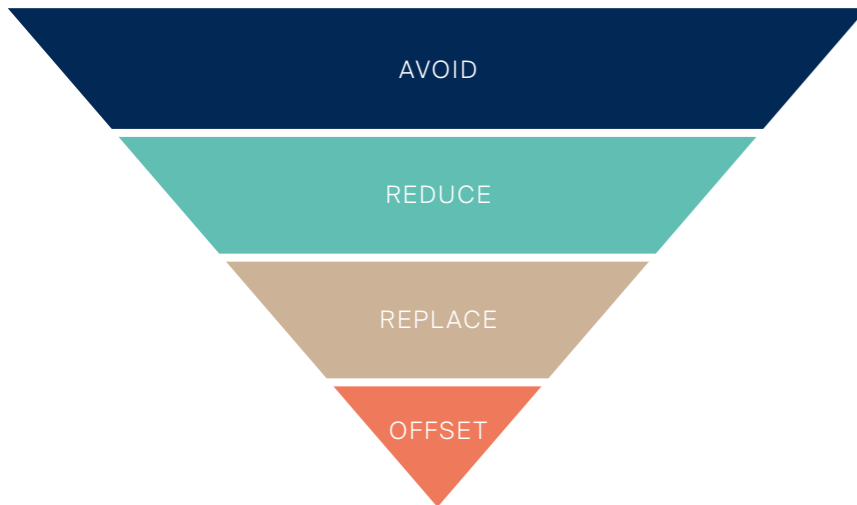
- A dedicated gallery space near our reception areas to showcase works by local Australian artists
- A variety of seating spaces to promote different ways of working
- A centralised kitchen and kitchenette areas with in-house coffee machines
- A mixed purpose 'Reflection' room that provides a private space for prayer, and also functions as a private lactation room for new mothers to comfortably transition back into work
- We offer a free seasonal flu vaccination programme promoting a healthy community
- The workspace is accessible to people with physical disabilities
- We maintain a robust Emergency Plan
- We host a range of wellbeing programmes and initiatives, focusing on both physical and mental wellbeing, supported by a number of resources via our 24x7 health and wellbeing portal



The role of carbon offsets

As far as practicable, we prioritise the carbon mitigation hierarchy by avoiding and reducing GHG emissions. However, where we are unable to eliminate our emissions using only emissions reduction activity, we will procure carbon offsets for hard-to-abate emissions.

In 2022, we developed Carbon Offset Credits Guidelines to outline our approach to purchasing Carbon Offsets, including preferred project criteria and minimum standards. We also engaged South Pole, an enterprise that develops and implements emission reduction projects and strategies. Through our engagement of South Pole, we selected 4 projects to offset our 2022 residual emissions, resulting from our Scope 1, 2 and 3 (Corporate Travel) and allocated credits based on feedback from our employees on which projects to support. These projects meet the International Carbon Reduction and Offset Alliance's (ICROA's) Code of Best Practice. As the voluntary carbon market continues to mature, we will continue to seek high quality carbon offsets to support our operational trajectory to Net Zero.



Sustainable travel programme

Corporate travel is a significant contributor to our operational carbon emissions. We are exploring ways to travel between our offices in a more sustainable way, including measuring our CO₂ emissions to help identify opportunities to reduce our carbon footprint when we travel.

In 2022, we conducted a review of our corporate travel programme. As part of this review, we:

- Engaged with our corporate travel provider to facilitate a request for proposal for our preferred travel suppliers to detail their current ESG practices as well as information relating to their longer-term sustainability strategy. A hotel directory was developed from this information to support our employees to make informed decisions to travel more sustainably
- Reviewed and updated our Corporate Travel Policy to include sustainability considerations, including to avoid travel by using technology as an alternative; by delaying travel until a more robust agenda is developed; and to select, where available, more sustainable travel options
- Engaged with our corporate travel provider to enhance their provision of carbon reporting relating to flights, hotels and car hire. This improved reporting will provide us with insights into the travel practices and behaviours of our employees
- Developed a Sustainable Travel reference guide for employees to provide practical information to support more sustainable travel, including personal behaviours and practices they can implement when travelling to reduce their environmental impact

Whilst some progress has been made to support sustainable travel practices at FSI, especially with travel recommencing in 2022, we recognise there is more we need to do to incorporate and encourage sustainable travel initiatives across our business practices globally, including providing more information on the emissions related to travel at the time of booking.



Our future plans

As we continue to look at ways to decarbonise our operations, we:

- Are introducing a cloud-based emissions reporting platform to record and monitor our greenhouse emissions against agreed standards.
- Have commenced a pilot certification for the ISO 14001 Environmental Management System (EMS) standard in our Edinburgh office. We plan to extend this to other offices over time.
- Have commenced a WELL certification of our Barangaroo office in Sydney. We aim to certify late 2023.
- Are looking to extend our Scope 3 emissions reporting, and in early 2024 we will conduct another survey of our employees to gather data on their commuting practices in 2023. This will enable us to estimate the emissions generated from employees commuting to and from the office and working from home.



Case study

Offset projects that FSI contributed towards through the purchase of carbon offsets via South Pole¹



1. Boone Forestlands Improved Forestry, USA

Spanning a vast area of almost 17,000 hectares the Boone Forestlands project, in Southeast Kentucky, sits in one of the most ecologically diverse regions of the United States; the Southern Appalachia. By focusing on sustainable forestry management this project protects and preserves the habitat of a rich variety of plant and animal species. Characterised by its steep, forested mountain slopes and narrow valleys, the region is inhabited by deer, black bears, bats, a re-established elk herd, and many rare and threatened herbaceous plant species. Protecting these forestlands plays a vital role in ensuring landscape connectivity and ecological resilience throughout the Southern Appalachia.

Sustainable Development Goals

6. Clean Water and Sanitation

Preserving the forest helps avoid heavy water runoffs on the slopes and avoids soil erosion, while helping to filter the water for downstream communities.

13. Climate Action

3,400,000 tonnes of CO₂e mitigated.

15. Life on Land

41,951 acres or 16,976 hectares of forest under improved management, home to thriving populations of elk, deer and black bears.

1. Source: South Pole, 2023



2. Mount Mulgrave Fire Management Project, Australia

This project reduces emissions through traditional Indigenous fire management techniques in the Northern Territory. This is a 25-year long project that started in 2015 covering an area of 280,728 hectares. The project is located on Mt. Mulgrave Station, approximately 100km north of Chillagoe and 200km west of Cairns on Care York Peninsula, North Queensland. It is an early-dry season (EDS) savannah burning project and aims to reduce uncontrolled late-dry season (LDS) wildfires that commonly occur throughout the north of Queensland.

Sustainable Development Goals

15. Life on Land: Ecological Protection

Plant and animal populations are not wiped out in high intensity fires. Low intensity fires are easier to recover from and have smaller impact on food availability and reproduction.

13. Climate Action

135,463,tCO₂e emissions avoided from late season hot fires between 2015-2021 by implementing savanna fire management practices.

17. Partnerships for the Goals: Cooperation agreements

Encourage the engagement between landholders, governments and non-government organisations to achieve emissions reduction and biodiversity conservation goals through partnerships and agreements.



Case study

Offset projects that FSI contributed towards through the purchase of carbon offsets via South Pole¹



3. Improved Cooking Rocket Stoves, Nepal

This project distributes modern, improved cooking stoves (ICS) to socially marginalised groups in southeast Nepal in the districts of Rautahat, Sarlahi and Mahottari. The stoves offer a clean cooking solution for households in these communities, improving health, reducing greenhouse gas emissions, conserving local forests and accelerating gender equality.

Sustainable Development Goals

3. Good Health and Well-being

Improved due to minimised indoor smoke pollution.

5. Gender Equality

Women benefit from healthier kitchens and job opportunities.

7. Affordable and Clean Energy

Rocket ICS design provides modern, more efficient energy for cooking.

8. Decent Work and Economic Growth

Job opportunities for local people in ICS marketing, construction and maintenance.

13. Climate Action

70,000 tCO₂e mitigated on average annually by the project over its five year crediting period.

15. Life on Land

Up to 50% less wood needed by the ICSs, reducing deforestation pressures on surrounding forest ecosystems.

1. Source: South Pole, 2023



4. Clean water filters, Kenya

Unsafe drinking water is the second leading contributor to the spread of disease in Kenya, with 32% of the population relying on unsanitised water sources for drinking. To get clean water for drinking and cooking, most Kenyans boil water to purify it. However, they often use woody biomass which is leading to severe deforestation in Kenya – offering clean water filters provides an affordable, long-term and zero emission solution for households that generally consume unsafe drinking water and/or use woody fuels to treat drinking water.

Sustainable Development Goals

3. Good Health and Well-being

Improved health linked to reduced indoor air pollution and reduced risk of diseases linked to unsafe drinking water and sanitation.

5. Gender Equality

50% of employees are women.

6. Clean water and Sanitation

1,638,000+ people benefit from the water purifiers, improving the livelihoods of communities.

7. Affordable and Clean Energy

467,000+ water purifiers were distributed during the first monitoring period.

8. Decent Work and Economic Growth

12 people are employed on the project.

13. Climate Action

459,000 tonnes of CO₂e mitigated, reduced annually on average.



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Modern Slavery: Why is it important to us?

We believe that organisations have legal, moral and commercial obligations to respect human rights and remediate any implications on human rights in their operations and supply chains.

The magnitude and complexity of modern slavery has been exacerbated recently by the COVID-19 pandemic, the Russia-Ukraine conflict, the growing recognition of the human rights implications of climate change, and the need for a just and equitable transition to a lower-carbon future. These forces will all have long-lasting and far-reaching human rights implications, bringing into focus the need to make progress to end modern slavery.

We recognise, that while we cannot control the external forces that may contribute to human rights abuses, including modern slavery, we can address and evolve our actions related to the complex challenges of this issue, both as a business and with the suppliers with whom we engage.



What is FSI doing?

Modern Slavery Statement

FSI published its first Modern Slavery Statement in 2016 under the UK Modern Slavery Act 2015 and in 2020, under the Australian Modern Slavery Act 2018.

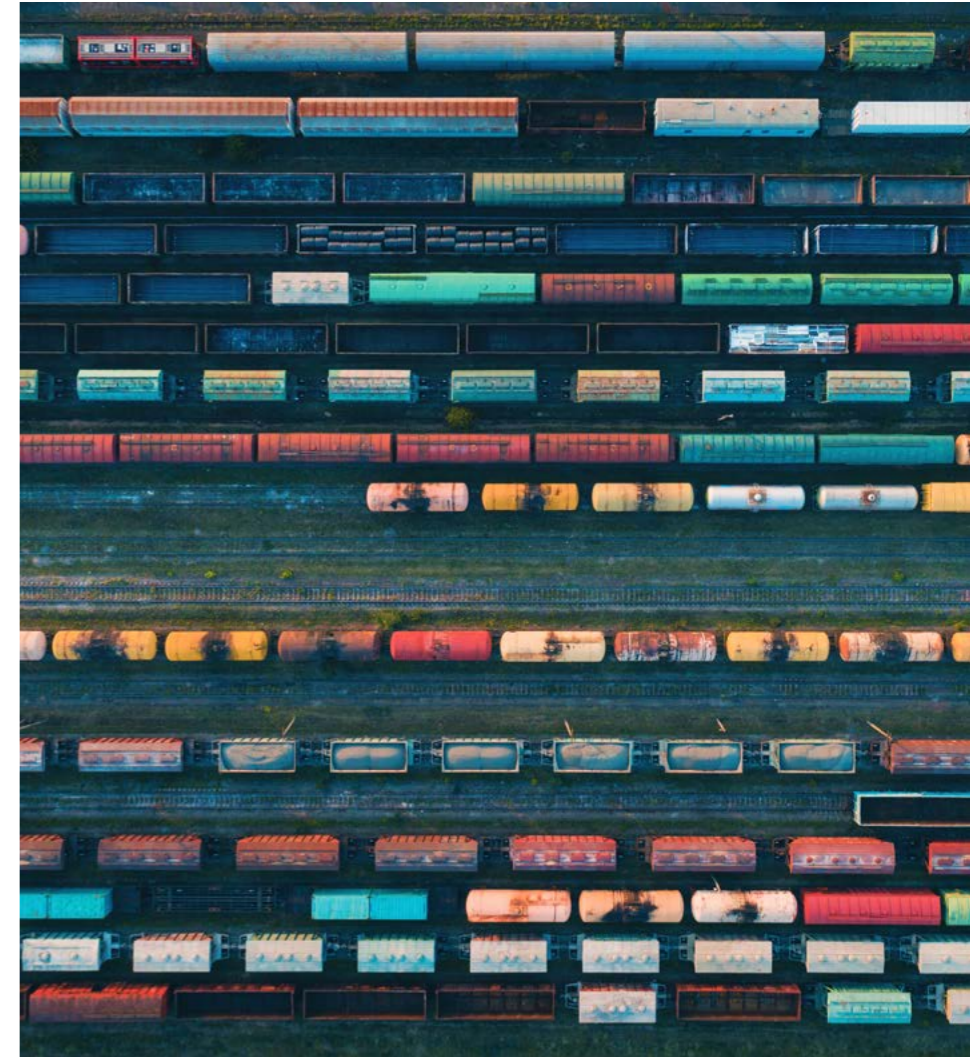
Our Modern Slavery Statement outlines our commitment to addressing modern slavery throughout our operations, investment strategies and supply chains. In 2020, FSI established a Modern Slavery Task Force (Task Force), which continued to operate throughout 2022. The Task Force is a global team responsible for reviewing and enhancing our policies and processes to address the risk of modern slavery and human trafficking. Working with representatives

from across the global business, the Task Force also assists in the preparation of our annual Modern Slavery Statement, as well as the identification and implementation of actions.

Since its establishment, the Task Force has:

- Deployed compulsory company-wide training on Modern Slavery via e-learning
- Conducted a high-level supply chain risk assessment at a supplier category level to identify our low, medium and high-risk suppliers
- Reviewed and updated a range of policies including FSI's Modern Slavery Policy
- Prepared a standard template of anti-modern slavery clauses for use in our global supplier arrangements, where appropriate
- Deployed targeted training, facilitated by subject matter experts, to staff working with our supply chains

For more information on our progress, our Modern Slavery Statement can be viewed on our [website](#).



1. https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_854733.pdf



Our future plans

Our 2022 Modern Slavery statement outlines our roadmap to reduce the risk of modern slavery within our operational supply chains.

Over the course of the next two years, we intend to undertake:



In September 2022, the 2021 Global Estimates of Modern Slavery¹ reported that there are an estimated 49.6 million people globally living in situations of modern slavery, an increase of around 10 million people since the previous estimates were released in 2016.

This means one in every 150 people are affected by modern slavery, with women, children and migrants disproportionately impacted.¹

Additional key findings from this report:

- There are 27.6 million people in situations of forced labour on any given day. This translates to 3.5 people in forced labour for every thousand people in the world. Women and girls make up 11.8 million of the total in forced labour, and more than 3.3 million of all those in forced labour are children.
- In 2021, G20 countries imported US\$468 billion worth of goods at-risk of modern slavery.
- High risk products that G20 countries spent the most on are; electronics, garments, palm oil, solar panels and textiles.

	2023	2024	
	Planned initiatives	Planned initiatives	
	<ul style="list-style-type: none"> • Supply chain mapping – Map supply chain of our high risk suppliers (i.e. 2nd, 3rd tier suppliers to FSI), ensuring (where possible) modern slavery risk is understood, mapped and assessed • Supplier engagement – Commence engagement with selected suppliers with the aim of aligning their Modern Slavery policies, processes and procedures with FSI's Supplier Code of Conduct • Procurement – Enhance the integration of modern slavery and broader ESG considerations into procurement processes for new and existing suppliers • Grievance process – Establish a modern slavery grievance process to build on existing whistle blowing procedures and provide staff training • Incident reporting – Facilitate the disclosure of modern slavery incidents if identified in our supply chains • Training and communication – Develop an internal communication plan for 2023-2024 and deploy additional targeted training for staff to equip them with skills and knowledge to identify and address modern slavery • KPIs for Task Force – Assign KPIs for Task Force members to foster continued accountability • Risk assessment – We intend to embed a suitable risk assessment process in 2023 via uplifting our existing process or engaging a third party to support our process for existing and new suppliers 	<ul style="list-style-type: none"> • Supply chain traceability – Identify countries and regions where suppliers are located, to demonstrate traceability of supply chains and gather information on their tiered suppliers • Risk assessment – Identify high-risk suppliers from additional high-risk sectors and continue with supply chain mapping and engagement • KPIs for FSI staff – Extend Modern Slavery KPIs to other FSI teams • Communication – Implement internal communication plan for 2024–2025 to increase awareness about Modern Slavery • Policies and procedures – Review policies and procedures related to Modern Slavery, assess effectiveness, enhance and provide training where possible • Industry collaboration – Participate in relevant industry groups, conferences and forums and share learnings internally • Supplier Engagement – Improve engagement with high-risk suppliers and introduce supplier training 	

The planned initiatives set out above are indicative of our plans as at the date (June 2023) of this Statement. While we intend to exercise our best efforts to implement these, we acknowledge that the implementation of some of these initiatives will be dependent on certain factors that are outside of our control, including (but not limited to), the accuracy of representations made by suppliers to us, the reasonable co-operation of our suppliers and the completeness of information made available to us by our suppliers. As a result, these planned initiatives are subject to ongoing review and may change, however we will report on any changes and track our progress in future modern slavery statements.

1. https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_854733.pdf



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Why it is important to us?

Making a difference to the communities where we live, work and invest through philanthropy has been a focus for our business for over a decade.

We believe we have a role in creating stronger and more resilient communities to ameliorate broader positive social changes. We can leverage our global footprint to deliver support where we think it is most needed and we connect with our strategic vision by establishing philanthropic partnerships with charitable organisations and offering three paid volunteering days per year for our employees.

Engaging our people to support our charitable partners enables us to collectively leverage our diverse talents to add value to the organisations and causes we fund, beyond financial contributions.



What is FSI doing?

The First Sentier Foundation (the Foundation) is FSI's philanthropic initiative, founded in 2012.

In 2022, the Foundation launched a refreshed vision and mission, aligning our future strategy more closely with FSI's corporate sustainability objectives.

Going forward, our focus will solely be on education. We believe that education is the foundation on which people build productive lives and adapt in a changing world.



Our vision

A world where each person's education enables them to build a sustainable life – now and in the future.



Our mission

We fund work that supports people to gain the skills and knowledge to thrive throughout their life. We focus on supporting people of all ages who would not otherwise have these educational opportunities.

Our philanthropic vision and mission is intrinsically linked to our work, including in the areas of diversity, equity and inclusion, financial literacy, modern slavery, and climate action.

The Foundation is led by a Head of Corporate Philanthropy alongside an internal Global Committee, with an overarching governance structure that is chaired by our CEO. The Global Steering Committee meets four times per year to discuss applications for funding in line with our vision and mission.

We aim to build strategic philanthropic partnerships with charities across the world who align with our vision and mission. We prioritise funding for organisations who address the root causes of educational inequality, for example:

- Support for programmes that service disadvantaged communities
- Improve the availability and quality of education where opportunities are lacking
- Tackle educational inequalities
- Build expertise or skills to help people adapt to a changing world – such as the impacts of climate change

We will also look to partner with organisations who align with broader FSI values, including our commitment to long-term social change, and who are open to the Foundation developing a closer relationship with them through staff engagement and volunteering.



The evolution of the First Sentier Foundation

The First Sentier Foundation (formerly the First Foundation) was established in 2012.

From its inception until mid-2022, the Foundation operated as a global initiative aimed at making a difference to the local communities in which our staff live and work, promoting charitable time and giving in the areas of Education, Environment and Social Welfare. It also supported charitable giving promoted by staff or as required by natural disaster.

Over this time, the Foundation was managed by employees in each region, in addition to their day job, who were responsible for facilitating staff donations and fundraising matching, staff-led grants (single and multi-year) as well as some longer term partnerships and volunteering initiatives.

“The Foundation has the opportunity to unify our global business to work together in support of an important cause.”

Lauren Prendiville, Managing Director and Head of Distribution, APAC



Case study

A historical partnership with New York Cares, USA

Since it was founded in 1987, New York Cares has been committed to meeting the pressing needs of vulnerable groups by engaging New Yorkers with year-round volunteer opportunities that tackle systemic racial and economic injustice issues in the areas of:

- Educating children, teens, and adults
- Serving those impacted by hunger and homelessness
- Health and wellness for seniors and other vulnerable groups
- Caring for public parks, community gardens, and green spaces

Though our historic partnership with New York Cares, employees from our US and EMEA regions collaborated on a volunteering programme called Story (Any) Time to schools representing two New York boroughs by reading and recording stories in English and Spanish. New York Cares then provided an online library of diverse children’s books to these schools to help promote literacy and limit learning loss among children working through the remote learning environment during the recent pandemic.

In December 2022, employees from FSI’s US offices launched an appeal to raise funds to provide warm coats and meals in support of New York Cares Winter Coat Drive program. Employee fundraising was matched by the Foundation, resulting in funds that provided approximately 600 coats and meals for New Yorkers in need.

New York Cares also works with a community partner, GRIOT Mission, that has a mission to respond to and eliminate all forms of oppression, including in relation to ageism, racism, sexism, misogyny, transphobia, homophobia, poverty, xenophobia, and their intersections. Through FSI’s partnership with New York Cares, employees assembled care packages filled with puzzles, art supplies, and comfort and pamper items for 85 members of the senior community, who may have been experiencing isolation and loneliness.





Although the Foundation has delivered impact over the last decade, we felt there was an opportunity to review and narrow the focus of its purpose to better align with FSI's wider corporate objectives and drive greater positive impact via partnerships with charity partners and their beneficiaries.

In December 2021, we appointed a Head of Corporate Philanthropy, and conducted a strategic review of the Foundation, in collaboration with our global employee base. This review highlighted opportunities to:

- Create greater alignment between the objectives of the Foundation and FSI's broader business objectives, for example, relating to our Corporate Sustainability and DE&I objectives;
- Create enhanced visibility and engagement with the Foundation, both internally, to further enhance staff engagement and externally, to create visibility of the work of our charity partners for the benefit of their beneficiaries;
- Design more efficient processes to facilitate staff engagement with the Foundation and create more efficiencies for our charity partners to receive funds; and
- Demonstrate our impact by developing a measurement framework that tracks and reports progress made over the short- and long-term to support longer term strategic relationships with our charity partners.

Open workshops, online surveys and focus groups were undertaken with a cross-section of approximately 110 staff including FSI's Leadership team, who provided their diverse opinions and feedback to inform a new strategy for the Foundation.

This new strategy was launched late 2022, with five new global charitable partners approved by the Foundation's Global Steering Committee. Over the course of 2023, our Head of Corporate Philanthropy, supported by our Regional Sponsors and Advocates, will embed these relationships locally, including to identify and promote opportunities for our staff to be involved in volunteering activities and fundraising activities for the benefit of the charities' beneficiaries.

New strategic partners

The Foundation established its first five Global Charitable Partners, aiming to 'build sustainable lives through Education' in 2022. The organisations we have funded are:



In Asia, we have partnered with **Daughters of Tomorrow (DOT)** to launch their **Transformation Fund (Next Gen)**. This fund will provide financial assistance, in the form of a bursary program, to ten young women from underprivileged communities to begin their tertiary education.



In Australia we have partnered with **Ardoch** to support two programmes:

- **Broadening Horizons programme** – provides meaningful educational experiences that promote learning and engagement. The experiences inspire students by exposing them to the world of opportunity around them and pathways beyond school.
- **Education Volunteers programme** – helps to increase confidence, engagement and interaction with literacy, develop the children's love of reading for enjoyment, enrichment and communication, and provide exposure to a diverse range of positive adult role models.



In EMEA, we have supported **Plan International UK** to begin a three-year programme to run 24 BOOST days across the UK, training 720 underprivileged girls.

The BOOST programme acts to tackle gender stereotypes and champion future female leaders in STEM, giving them the confidence and BOOST they need. Sessions cover finance, investments and coding to 'Lead like a Woman' training including entrepreneurship. Girls get outdoors as part of programme, learning manual skills to gain confidence and independence.



In the USA, we have partnered with **Let's Get Ready**. Their mission is to increase the accessibility of a college degree by helping students from underrepresented college-going backgrounds get to and through college. To do this, Let's Get Ready addresses disparities in pre- and post-college support by employing near-peer coaches, most of whom are alumni of the program, to help students navigate academic, social, and financial challenges.



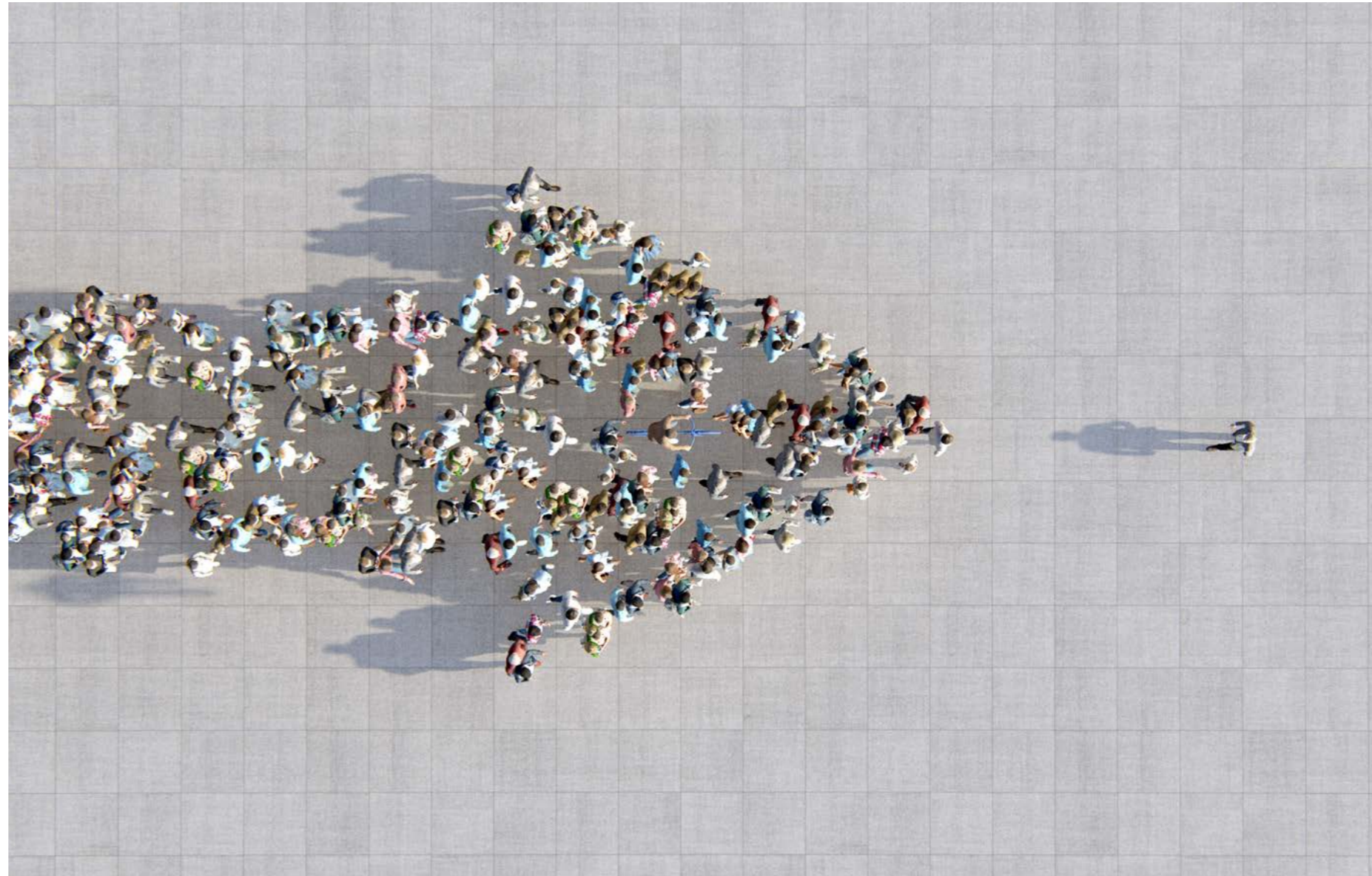
We have also partnered with **Scholarship America**. Their mission is to eliminate barriers to educational success so that any student can pursue their dream. The Foundation will be contributing towards their 'Dream Award', to support students who have overcome adversity to get into college. Scholars are given the opportunity to engage as a cohort and continue building their network and expand their community.



Our future plans

In 2023, we will continue to embed the vision of the Foundation by:

- Developing our relationship with our strategic partners;
- Identifying other charities that we can partner with who support our vision to 'build sustainable lives through education';
- Encouraging our staff to engage with and volunteer with our strategic partners, to ensure that our support is more than just financial; and
- Working with our strategic partners to measure our impact to ensure that our activities have the intended impact on beneficiaries within the communities that we live, work and invest in.





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08 | Diversity, Equity and Inclusion



Why it is important to us?

We are committed to fostering an inclusive and equitable culture where diversity can thrive. We believe this will deliver better outcomes for our people, our clients and society, and it is the right thing to do.

Our targets and progress

It is important that our people have clarity on our goals and objectives and transparency on how we measure progress and success. Having targets is an important way of demonstrating our commitment and holding ourselves accountable to our action plan.

In 2022, we agreed to the following targets:

Target	2022 progress (as at 31st Dec 2022)
To increase the diversity of our workforce within FSI, as seen in the annual Diversity Census, over 2022 to 2025	In 2022, we increased our diversity profile from 2021 in a few areas. See census infographic for more detail
40% Female representation on the First Sentier Investors Holding Pty Limited Board by 2025	37.5%
40% Female representation on our Executive Leadership team	25%
40% Female representation on our Subsidiary Boards	35.6%
40% Female representation in Senior Management¹ roles by 2027	37.8%
40% in Investment Management roles² by 2033	35.8%
Increase the DE&I score in the annual engagement survey to be at the midpoint of Finance sector by 2025	In 2022, we moved from the bottom to midpoint benchmark for Finance sector ³
Increase the participation rate of the Diversity Census to be at 70% by 2025	68% (+3% from 2021).

1. Roles which are Executive Leadership Team minus up to two levels within the organisational hierarchy, with significant responsibilities, excluding administrative roles
 2. This includes investment roles such as portfolio managers, analysts, and those that support them directly, but excludes administrative support roles
 3. Workday Peakon Employee Voice – Financial Services Benchmark

We are committed to fostering an inclusive and equitable culture where diversity can thrive.



Diversity Census

In 2022, we conducted our second global Diversity Census, a data collection exercise providing us insight into the demographic landscape of our global workforce. The response rate to the 2022 census was 68%, which was slightly higher than the previous year of 65%.

It is encouraging to note that this year's results show that **92% of participants** confirmed through their survey response, that they feel comfortable being themselves at work¹, which remains unchanged from 2021.

Some of the key findings from the census are summarised in the infographic to the right:



1. The Employee Engagement Survey question is: "I am comfortable being who I am at work"

Data is as at November 2022, and is representative of 68% of our employees who responded to the census. No significant change represents where there was 1% or less of a change from 2021 to 2022.



What is FSI doing?

Diversity, Equity & Inclusion Strategy

In 2022, FSI launched its global Diversity, Equity and Inclusion (DE&I) Strategy. This strategy was developed in collaboration with our Executive Leadership Team, DE&I Global Steering Committee, DE&I Working Group and our employees.

Our DE&I strategy comprises of four pillars:

Strategic pillar	2022 progress	
<p>Belonging Fostering and inclusive culture</p> <p>Our leaders are role models and our people are empowered to make positive change. Our people engage and collaborate through our employee communities focusing on issues that are important to them.</p> <p>Our people care about each other and value our differences, and they feel safe to be who they are at work.</p>	<p>Executive Team Inclusive Leadership Programme</p> <p>Recognising that while DE&I is an organisational collective responsibility, behaviour is role modelled by our most senior leaders, setting the tone to cascade down to the workforce. We commenced with a bespoke inclusive leadership training programme for our executive team to further develop their capabilities.</p>	<p>Enhancing our global Employee Communities</p> <p>We developed a new governance structure for our Employee Communities, focused on longevity and success. We refreshed our six EMEA/US Employee Communities and launched one new Employee Community within our Australian region. The newly formed governance structure includes members of our Executive Leadership Team serving as Executive Sponsors and the appointments of Employee Community Leads who drive day-to-day operations. The Employee Communities act as forums to drive specific initiatives and create opportunities for those of shared identities and allies to work together to improve the workplace culture. To date, our Employee Communities have played an important role in the delivery of key marker activities like Women's Health Week, International Women's Day, Pride, UK Black History Month, World Menopause Day, International Day of Persons with Disabilities and many more.</p>
<p>Equity Levelling the playing field</p> <p>Our people experience equity and fairness in the workplace. This includes their experiences with recruitment, promotion, pay and access to leave.</p> <p>Our intent is to level the playing field for all.</p>	<p>Policy review</p> <p>With a focus on levelling the playing field, we developed and/or enhanced several policies, with accompanying resources and training materials including:</p> <ul style="list-style-type: none"> • Menopause statement • Reasonable adjustments • Compassionate leave • Flexible public holidays • Life event leave <p>Pay equity analysis</p> <p>We conducted a firm-wide pay equity analysis comparing the pay for women and men undertaking the same/similar work of comparative value. We did this to better understand our current state and developed an action plan to achieve true pay equity across our global workforce. We identified any pay equity gaps as part of the annual remuneration review process.</p>	<p>Gender pay gap reporting</p> <p>In addition to the pay equity analysis, as part of our regulatory requirements, we also conduct annual gender pay gap reporting in the UK and Australia. Gender pay gap refers to difference between average earnings of women and men in the workforce. Our most recent UK Gender Pay Gap report can be found here.</p> <p>Recruitment and on-boarding</p> <p>We require gender-balanced shortlists for all recruitment, with a targeted focus in specific areas such as investment teams, where we have traditionally employed fewer females. All interview panels must comprise at least one female employee.</p> <p>New starters are made aware of our DE&I commitment through our recruitment and on-boarding processes to ensure that they understand our culture and can effectively contribute to it. Through our induction programme, new starters are also actively encouraged to join one or more of our Employee Communities.</p>



Strategic pillar	2022 progress	
<p>Engaging Helping our people engage and understand</p> <p>Our people understand ‘the why’ of DE&I and its importance at FSI. There is clarity on our goals and objectives and transparency on how we will measure progress and success.</p> <p>We will also seek input and feedback from our people on how we are progressing.</p>	<p>Communications Approach</p> <p>Aligned with our hybrid working model, we maximise the Microsoft Teams platform and its functionality to communicate across our global business for example, when hosting global hybrid and virtual events to enable our employees to join from home. We have also introduced ‘Connection Days’ dedicated to in-person office time, and often host Employee Community events on these days to build relationships and generate participation in key DE&I initiatives.</p> <p>We also use the Microsoft Teams platform, our intranet, email communications and in-person events, to share employee profiles, articles and experiences across various DE&I topics to ensure our people are being kept informed and engaged about our initiatives and progress.</p>	<p>As we continue to expand our engagement with our Employee Communities globally, our Employee Community Leads, Executive Sponsors and members are naturally creating a feedback loop to the business, informing how we communicate our DE&I agenda for the better. Each quarter, our CEO also provides an update to all employees on our progress against our DE&I targets at the Quarterly Business Review town hall.</p>
<p>Alignment Connected with our Responsible Investment and Corporate Sustainability principles</p> <p>Our Diversity, Equity and Inclusion work is core to developing our culture of Corporate Sustainability, and forms a core component of our Responsible Investment principles.</p> <p>We engage with the companies we invest in on DE&I and in our interactions with other stakeholders.</p>	<p>Alignment with Corporate Sustainability</p> <p>We have partnered with the First Sentier Foundation to support charities with DE&I links in support of marginalised communities.</p>	<p>Alignment with Responsible Investment Principles</p> <p>Diversity is a focus area in our Responsible Investment approach and our investment teams consider diversity factors as part of their company analyses. For example, Igneo Infrastructure Partners considers diversity as one of their 5 minimum ESG principles.</p> <p>Our Realindex team also conducted research on the value of gender diversity on company performance. It found that increasing female presence in senior management teams resulted in higher profit margins and better firm performance overall.</p>



2022 Partnership and industry collaborations

FSC WIM Charter (Australia)

In 2021, we became an inaugural signatory to the Financial Services Council Women in Investment Management Charter, which introduces additional accountability and transparency mechanisms to our business to help improve gender balance in our investment management teams.

This included the adoption of a gender diversity target to have women represent at least 40% of our investment management staff in Australia by 2033.

This initiative provides us the opportunity work across the industry to commit to improving gender diversity, specifically in investment management teams

Future Females in Finance (F3) (Australia)

In 2022, we partnered with F3 to support young women in actively considering a career in finance. This included providing a structured work placement programme to four high school students to understand career pathways in investment management. Additionally, we also ran a six-week project where students were mentored by leaders across the firm and partnered with us to propose solutions that we could implement to support our clients on their net zero journey.

#10000BlackInterns (UK)

In 2021 in the UK, we joined an industry-wide initiative to support 10,000 Black Interns in investment roles and welcomed our first cohort that summer. We concluded our second intake of two interns in 2022. Our internships help Black students across the UK kick-start their career in investment management by giving them an opportunity to learn about the industry first-hand, as well as developing a range of skills and networking opportunities.

“Increasing representation and progression of people of colour in our industry is the responsibility of all and that is why we participate in programmes such as #10000BlackInterns. We were drawn to this programme because it provides opportunities to draw the brightest and most committed people to our workplace. Investment management has very low representation of black people. This programme is important to help provide opportunities for talented young people to obtain first-hand, investment experience as well as training and networking opportunities. Igneo Infrastructure Partners is proud to be actively contributing to industry change and learning from new perspectives.”

Marcus Ayre, Managing Partner and Head of
Igneo Infrastructure Partners, Europe

“During my time with Igneo, I learnt about the infrastructure sector and how their current investments can be made more sustainable. With guidance from a mentor, I completed my internship by presenting research about developments in electric vehicle (EV) charging and justified how the industry aligned with Igneo’s investment criteria. The internship enabled me to communicate with more confidence, take initiative in challenging projects, and develop the diverse capabilities needed for a future career in finance.”

Alisha, 2022 Intern

Investment 2020 (UK)

We are members of Investment 2020, a scheme established to bring a wide range of talent into all aspects of investment management in the UK. As corporate members, we have recruited and trained a number of school leavers and university/college graduates to support their ongoing career planning and development since 2013. We have also supported the programme by participating in career events and providing speakers to various trainee workshops.

InterInvest (UK)

We are corporate members of an UK Industry LGBTQ+ network, InterInvest. We are able to offer a wide selection of events and seminars to our staff through our ongoing participation with InterInvest as well as sharing best practice among our peer communities.

Girls Are Investors (GAIN) (UK)

We partnered with GAIN through our Stewart Investors business to take part in their annual Empowerment Investment internship program. The program aims to encourage and support young women into the investment management industry. In 2022, we offered two interns the opportunity to join our business over the summer.

Financial Services Skills Commission (UK)

We are a founding member of the Financial Services Skills Commission. The commission aims to work across the industry to ensure that businesses have the talent and skills it needs for the future – this includes widening access to talent and promoting diversity, equity and inclusion. This initiative provides us with the opportunity to collaborate across the industry and help drive systemic change within the financial services sector.



International Financial Services Apprenticeships (Ireland)

This apprenticeship scheme run by International Financial Services aims to support students who have left school and are wishing to enter the financial services industry. It is a two-year programme where the apprentice spends four days working with the company and one day at a higher education institution. The programme tends to source candidates from more diverse backgrounds, and provides an entry to the industry without having to incur significant costs of university education. We participated in this apprenticeship scheme in 2022.



Our future plans

In 2023, we will continue embedding our DE&I strategy, which will include:

- Enhancing our global parental leave policy;
- Extending our inclusive leadership development programme;
- Broadening our DE&I awareness training;
- Further mobilisation of our employee communities; and
- Continuing to review and enhance our talent attraction and selection processes.





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Why is it important to us?

People are our greatest asset and creating an inclusive culture continues to be important to us, in particular to attract and retain talent who feel valued and supported.

Our people are at the heart of our focus on strong stewardship and responsible allocation of our clients' capital, and we believe that our long-term investment success depends on our ability to bring together independent teams of active, specialist investors who share a common commitment to responsible investment principles.



What is FSI doing?

Ways of working

Whilst formal and informal flexible working arrangements have been available to our employees for many years, our work paradigm transformed during the COVID-19 pandemic and during 2021 and 2022, our flexible working policy was adapted to introduce a principle-based hybrid-working model. This model requires that our staff spend a minimum of three days of the working week in the office to encourage in-office collaboration and continue building our culture and nurturing relationships between colleagues, whilst also supporting our people to deliver results and manage a sustainable work-life balance.

As a global business, we believe that offering a dynamic way of working not only supports our people but is also critical to attracting and retaining talent.

Employee Engagement Survey

By listening to our employees and measuring our engagement, we can make incremental improvements to the way we work, and reinforce a culture where people feel valued and supported to succeed.

In 2022, 84% of our employees completed our annual Employee Engagement Survey and provided us with over 6,600 comments. Specific questions were introduced to seek feedback on our Responsible Investment and Corporate Sustainability strategies from employees, including how we could support their professional development, through our ESG Learning Pathways programme.

ESG Learning Pathways

Building and maintaining a strong stewardship mindset and a sustainable business culture starts with a knowledgeable and engaged workplace.

We believe that it is important that our people can speak confidently about ESG issues, as it relates to our approach to Responsible Investment and Corporate Sustainability, as well as identify opportunities and take accountability of these issues within their roles to contribute to our strategy and culture.

In 2022, we commenced the roll out of our ESG Learning Pathways programme, which includes four pillars:

- **ESG Foundations:** a learning program to focus on key ESG impacts and risks to both our business operations and our investments. The program will be available to all staff from 2023
- **Functional Learning:** a series of in-depth and bespoke learning opportunities for specific groups, such as investments, distribution and functional teams, to complement the ESG Foundations program. This will be available from 2023
- **Further Learning:** identification and endorsement of a series of formal external training program for employees to access as part of their development plans
- **Early Careers:** a pilot via our 2023 Australian graduate programme, to introduce ESG mentoring and/or projects to practically upskill our early career employees on ESG issues. If successful, this will be extended to other early careers program operated globally

“Fostering an inclusive and engaging culture underpinned by open communication and collaboration is paramount in contributing to the wellbeing of our employees, and enabling high performance teams.”

Melanie Halsey, Chief People and Culture Officer



Case study

Sustainable swaps

In our Employee Engagement Survey, our employees told us that they wanted more information about how they can be more sustainable in their daily lives. In response, we developed a Sustainable Swaps campaign to showcase sustainable products and actions, particularly as they relate to social and environmental impacts. This includes:

- Encouraging our staff to consider purchasing from B Corps, businesses that have received a designation for meeting high standards of social and environmental performance;
- Sharing sustainable product recommendations from our employees globally; and
- Sharing stories on how our employees are taking steps to be more sustainable at home and at the office.

We will continue to motivate our people to live by the standards we strive for as a sustainable and responsible business by giving them opportunities to improve our sustainability practices. We will continue to encourage them to put forward ideas, supported by focused initiatives and education programmes.



Future plans

In 2023, our people and culture will continue to be a strategic focus for FSI. We will:

- Continue to review and monitor our hybrid working policy to ensure that we continue to balance in office collaboration and delivery for the benefit of our stakeholders, including our clients, with support for the work-life balance of our employees;
- Conduct another Employee Engagement Survey to review our progress and feedback from our employees, including any improvement areas we can focus on as a firm or as leaders;
- Continue to implement our ESG Learning Pathways program globally; and
- Continue to share ideas, resources and deliver specific campaigns to increase awareness of practical sustainability improvements our employees can make at the workplace and in their personal lives.



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