

Together

we invest
for a better
future

Standard Life  **Aberdeen**

Corporate Sustainability Report 2019

How we invest today,
shapes the
world we
live in
tomorrow.

Contents

Introduction
Page 4

Governance
Page 14

Environment
Page 20

Social
Page 28

Appendix
Page 44



Keith Skeoch,
Chief Executive Officer

At Standard Life Aberdeen we distil our sense of purpose into a single phrase: Together we invest for a better future. We know that alongside our critical responsibility to meet financial outcomes for our clients and customers, we also have a responsibility to consider non-financial outcomes such as the environmental and social impact. How we invest today, the role we play in the broader financial system, and the way we exercise our responsibilities as stewards of investments, has a direct impact on the kind of world we all live in tomorrow.

This is not a new concept for us. We have been integrating environmental, social and governance (ESG) considerations in to our investment process since the 1990s. We actively engage with the people we're investing capital with, be it equity, real estate, infrastructure or private markets, and also with governments and regulators, to improve outcomes and the sustainability of returns for our clients and customers.

We do this not only because it's the right thing to do but because it helps us to identify opportunities and manage risks. Investment strategies that reflect society's concerns about issues like climate change, fair work and inequality can direct capital in a way that seeks both a social and a financial return.

Including the word 'together' in our purpose is important. We do not operate in isolation, and many of the challenges we face as a society can only be solved through collaboration. The clearest, shared vision we have for a better future is the one set out by the UN Sustainable Development Goals (SDG). As a signatory to the UN Global Compact, we are committed to continue playing our part in achieving these goals. This report highlights our activity in support of this across our own operations, through our role as an asset manager, and through our interactions with others.

We are privileged in the level of impact we can have. For an issue such as climate change, we can manage our impact across our own operations, where we have committed to become carbon neutral in the year ahead, through how we invest money and exercise our voting rights, and through how we work with our industry and civil society.

We are once again pleased to have been recognised for our performance as a sustainable business, through our inclusion in key sustainability indexes, as the Better Society Awards Asset Manager of the Year 2019, and as the Westminster All-Party Parliamentary Group for Corporate Responsibility's National Responsible Business Champion.

Thank you to our people and our partners across sectors for the hard work that led to this recognition.

Our business

Our purpose

Together we invest for a better future.

Our strategy is to build a vibrant and value-creating purpose-led organisation, with the current and future needs of our stakeholders at the heart of all we do.

- For our clients and customers, this means building solutions to create wealth and help meet their needs
- For our employees, it means creating an environment where everyone can thrive
- For society, it means promoting positive change through how we operate and invest
- For our shareholders, it means turning opportunities into sustainable long-term returns

Our business

We meet the evolving needs of investors and savers.

We do this by building lasting relationships and developing innovative products and services. We offer:

- Active asset management to institutional, wholesale and strategic insurance clients
- Wealth management, financial planning and advice services, either directly to customers or through financial advisers

We also have significant holdings in associate and joint venture businesses: Phoenix in the UK, HDFC Life and HDFC Asset Management in India and Heng An Standard Life in China.

Our operations

We are headquartered in Scotland and listed in London, with around 6,000 employees in over 50 locations worldwide. We have operations in global financial capitals and important regional centres, which bring us closer to our clients and customers around the world, and provide invaluable knowledge and insight to share with our people.



Employees by location

1 UK 78%	3 Americas 6%
2 Europe, Middle East and Africa 6%	4 Asia Pacific 10%

■ Countries with office locations

Our strategic drivers

The foundations from which we deliver for all our stakeholders.



High impact intelligence

Harness our intellectual capital, emotional intelligence and data to generate best in class impact.



Enduring relationships

Deepen our understanding of customers and clients to ensure we exceed their expectations and build relationships that last.



Connections without borders

Bring the best of our business to all our markets by constantly connecting our people, capabilities and assets to deliver a seamless proposition.



Future fit

Build a strong organisation positioned for growth and ready to anticipate and meet the challenges for tomorrow.

What is material?

To understand and prioritise the ESG issues that are most important to our stakeholders and our business, we undertook a materiality review in 2019.

How we did it

Step 1: Identify issues

We created a list of 12 issues, covering both how we operate and how we invest, from a moderate to high level of importance. These were based on a number of inputs:

- Big global trends (particularly the SDGs) including climate change, poverty and inequality
- Industry trends such as regulation and transparency
- What sustainability indices or analysts deem to be material for our sector
- Upcoming legislation for example on climate change and transparency
- Customer and client feedback
- Employee input in areas such as wellbeing, inclusion and engagement
- NGO interest in issues such as inclusion and fair work
- Our company objectives

Step 2: Understand stakeholder and business priorities

We identified our key stakeholders of employees, clients and customers, suppliers, government, investors and society. We surveyed these stakeholders either directly (for example a survey to all our employees) or via stakeholder relationship managers to understand what is most important to them. We reviewed internally our company priorities in the same way. This enabled us to produce a matrix of importance.

Step 3: Identify key areas of focus

We allocated the issues between the three elements of environment, society and governance.

We tested the matrix with a number of internal and external groups to confirm accuracy.

The output helps us to shape our strategy and approach, as well as tailor our reporting so we are highlighting the areas of interest to our stakeholders.

The performance targets and indicators that link to the material areas of focus are included in this report. Some were already in progress from earlier materiality reviews and others are being developed based on this review. We don't have targets or external performance indicators for every material issue. Some are addressed in other ways, for example, ethical conduct through our code of conduct.

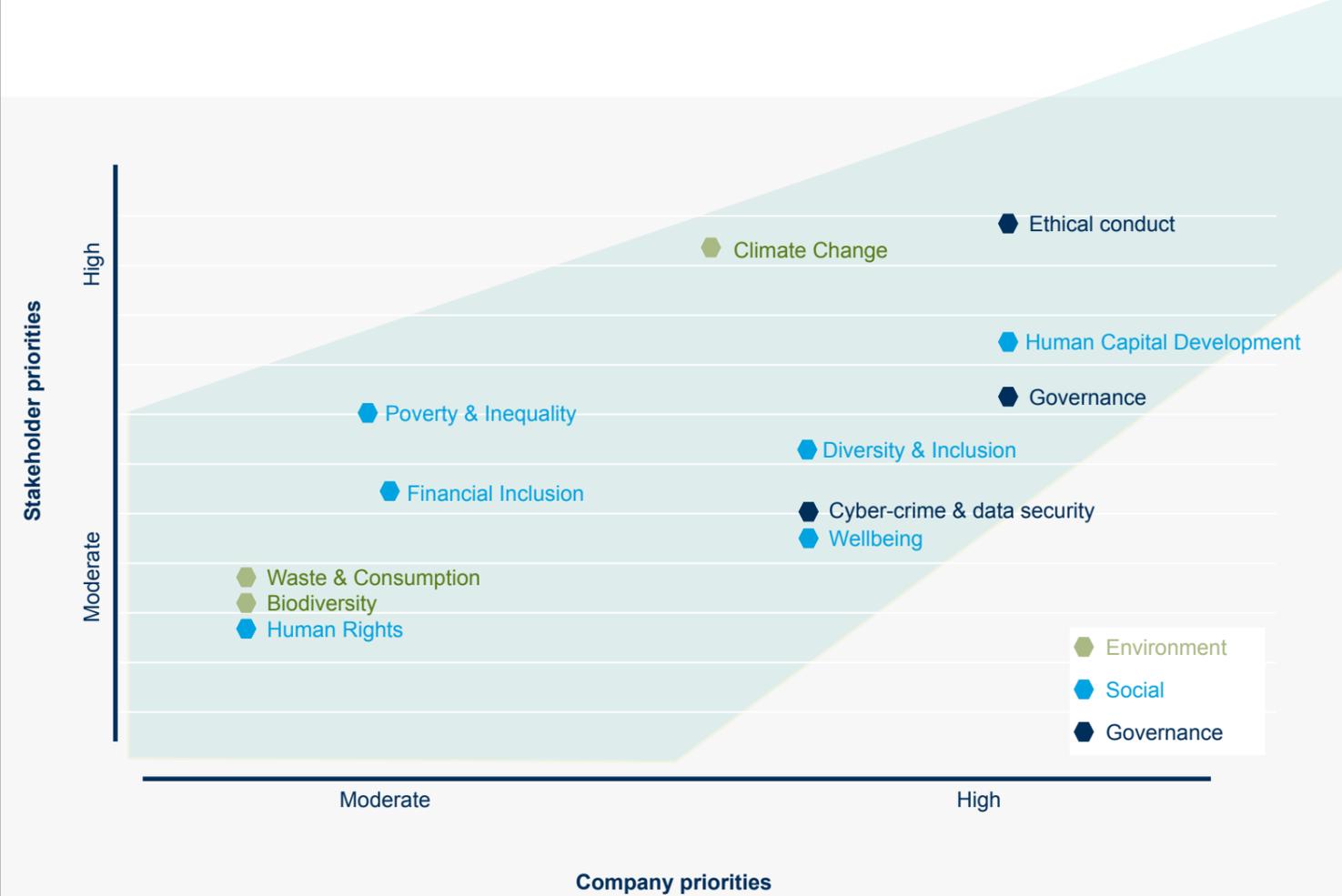
What we found

"As you would expect during a time when trust in business is still low, the importance of having a well-run and principled company came out as key for a significant proportion of our stakeholders. This was also echoed in how we hold other businesses that we invest in to account. As a responsible investor, stakeholders thought we played a vital role in encouraging better behaviours and more transparency.

There has been a significant period of structural change in our organisation over the last couple of years. As a people business, issues around wellbeing, engagement and retention of employees repeatedly came up in conversations. The discussions on diversity and inclusion also shifted beyond specific protected characteristics to the role we play in helping everyone feel included not only in the workplace but also financially.

2019 represented a big shift in awareness and understanding of the impacts of climate change - with protests, new regulation and extreme weather events across the globe. Stakeholders wanted us to continue focusing on not only reducing our own emissions but also on how we invest and allocate capital to enable the transition to a low-carbon economy. You will find throughout this report how we are taking action in these areas – from the governance section which shows the foundation of how we run our business, to the ways we aim to have a positive impact in our environment and social sections."

Stephanie Leggett,
Head of Sustainability Strategy
and Reporting



Our three pillars

**Invest today.
Change tomorrow.**

To guide our sustainability approach, we focus on our three areas of impact: our operations, how we invest, and creating shared solutions to social and environmental issues.

1 It starts with us

“Managing the ESG performance of our own operations to a high standard is vital. It sets the tone for our culture and for every other aspect of how our business impacts on society and the planet.

It helps us to meet the expectations of our different stakeholders, and it enhances our credibility when asking more of companies and other assets we invest in.

We pay particular attention to areas that are most relevant to our business, where we are especially able to have a positive impact. In the past year we’ve shown leadership as an employer in areas such as our commitment to Living Hours and our new parent leave policy, and we’ve made significant progress in actively managing the environmental impact of our operations. We’ll continue to ask more of ourselves in the year ahead.”

Sandy MacDonald,
Global Head of Corporate Sustainability

2 Investing with purpose

“ESG considerations underpin all our investment activities. ESG investment is about active engagement, with the goal of improving the performance of assets we manage around the globe. Our ultimate goal is to make a difference – for our clients and customers, society and the wider world.

There are some significant challenges facing us all today – climate change, the gap between the haves and have nots, and over consumption of the world’s resources. Instead of just looking at financials, investors need to think about these issues and how they affect underlying investments. Companies with innovative ideas to solve these challenges will be best placed to make money and help society and the environment.

After 20 years of working in this sector, I would like to think that environmental and social issues have now just become a natural part of understanding how we allocate capital in a way that will benefit the ultimate beneficiaries who are investing in pension funds, right through to making sure that we have a planet to live on in 30 years’ time.”

Amanda Young,
Global Head of Responsible Investment

3 Unlocking solutions

“The major long-term challenges we face today cannot be solved by government policy alone - private capital has an important role to play in resolving these challenges. Alongside this, our clients and customers have an increasing interest in investments that not only provide a compelling financial return but also evidence a positive environmental or societal benefit. We continue to develop innovative solutions with this dual objective.

Collaboration with policymakers, charitable organisations and our clients is critical to ensuring we develop solutions that are targeted at the areas of greatest need and aligned to our customer and clients’ interests. The SDGs provide an excellent framework for this and we believe that supporting the SDGs creates tangible opportunities for companies to contribute positively to society and the environment, while simultaneously enhancing the long-term financial value of the business. On a more local level, partnering with charities such as The Big Issue Group has led to solutions that are focused on addressing inequalities that our clients and customers, in our home market, have a close association with.

Our social and environmental impact solutions are designed to make a real difference in our local and global communities. Our partnerships across sectors are about creating connections between people - helping them to feel included and part of society - and with the environment.

Together, we’re helping to build a better future for all of our stakeholders.”

Robert McKillop,
Global Head of Product and Client Solutions

Bringing it all together - environment

	Focus areas	Key SDGs	SDG target	Material issue	2018 pledge	2019 Status	Target year
It starts with us	Climate change - emissions reduction	13	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Climate change	We will develop new 2030 Greenhouse Gas reduction targets and climate change strategy	Achieved. New pledges - We will reduce our scope 1 and 2 emissions by 50% by 2030 We will reduce our energy use by 30% by 2030	2019
	Climate change - renewable electricity	13 7	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix 7.3 By 2030, double the global rate of improvement in energy efficiency	Climate change	We will procure 100% renewable electricity at the offices we operate across the globe	Ongoing. We procure 99% renewable electricity	2020
	Climate change - carbon offsetting	13	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Climate change	N/A	New pledge - We will be carbon neutral across our operations in 2020	2020
	Single-use plastics	12	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	Waste and consumption	We will remove all single-use plastics from our offices	Ongoing. See pages 26 and 27	2020
Investing with purpose	Climate change - renewable electricity	7	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix 7.3 By 2030, double the global rate of improvement in energy efficiency	Climate change	All the landlord procured electricity in the real estate Aberdeen Standard Investments manages in the UK will be 100% renewable electricity by 2020, and we will increase the amount of renewable electricity procured globally	Achieved. We procure 100% renewable electricity in the UK	2020
	Climate change - carbon neutral	13	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Climate change	N/A	New pledge - We will be net zero in the real estate we manage by 2050. See page 24	2050
Unlocking solutions	Real estate fund - carbon neutral	13	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Climate change	Our strategy will make our Airport Industrial Property Unit Trust (AIPUT) real estate fund carbon neutral	Ongoing. See page 25	2025

Bringing it all together - social

	Focus areas	Key SDGs	SDG target	Material issue	2018 pledge	2019 Status	Target year
It starts with us	Inclusion - gender	5	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Diversity & inclusion Human capital development	33% of our Board and 33% of our executive population will be female	Achieved. 45% in our Board and 36% in our executive population	2020
	Inclusion	10	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Diversity & inclusion	We will continue to publish annual action plans for gender balance and ethnicity	Achieved. See page 30 for our updated inclusion framework	N/A
	Inclusion - social mobility	8 17	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Diversity & inclusion Poverty & inequality	We will develop a social mobility action plan and targets	Achieved. See page 30 for our updated inclusion framework	2019
Investing with purpose	ESG investment integration	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	N/A	N/A	We will publish policies setting out our approach to integrating ESG issues into each asset class	Achieved. Our individual asset class ESG approaches are available at aberdeenstandard.com/responsible-investing	2019
	ESG investment transparency	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	N/A	N/A	We will continue to focus on transparency - publishing quarterly updates on our ESG engagements with investee companies and details of all our shareholder votes	Ongoing. Our quarterly updates on our ESG engagements and voting are available at aberdeenstandard.com/responsible-investing	N/A
Unlocking solutions	Financial inclusion	8	8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all	Financial inclusion	Through technological solutions we will open up advice and guidance to more people, increasing availability in the market and making financial wellbeing more inclusive	Ongoing. See page 38	N/A
	Charitable impact	17	N/A	Poverty & inequality Wellbeing Climate change Biodiversity	We will carry out impact analysis on our community investment programmes to further understand the areas that we can focus on for greatest positive impact	Achieved. See page 42	2019

Together

we raise standards
and transparency,
building
enduring trust

Asset managers are at the centre of the financial system. It's vital that we have integrity and transparency in how we operate, building trust in both our business and sector.

We interact with numerous stakeholders. Their expectations, about our role and contribution to the common good, are rising. Our Board ensures that its decision-making takes into account these views. During 2019, we had a particular focus on bringing the voice of our colleagues to the Board.

Good governance is the foundation of being a good corporate citizen. That's why we do not have any targets or pledges, just a commitment to continue holding ourselves to a high standard.

In this section:

- Melanie Gee, non-executive director, took on a new role as employee representative on the Board.
- We raised awareness of good security practices during our Security Awareness Week.
- We launched our 'Students of Clients' programme to help our colleagues develop a deeper understanding of who our clients and customers are



Employees completing
code of conduct
training and attestation
(2018: 95%)

Total tax contribution
£526m
for the year to
31 December 2019
(2018: £538m)



Employees completing
information security training

Transparency and trust

Corporate governance

Strong corporate governance is underpinned by clear structure, a diversity of views, independence and understanding stakeholder priorities. As an investor, this is what we expect of investee companies and it is our focus operationally.

Throughout 2019 we reviewed our governance framework to ensure we are effectively implementing the revised UK Corporate Governance Code. This gave us the opportunity to revisit our processes on stakeholder engagement, succession planning, diversity and inclusion, and aspects of remuneration.

A focus on...Board diversity

The Board's policy is to appoint and retain non-executive Directors who bring relevant expertise and a wide perspective to our company and its decision making framework.

The 2019 Hampton-Alexander Review saw us move up to 10th place, compared to 92nd in 2018. Our improved ranking reflects our increase in the representation of women on our Board (now 45%) and in the two senior leadership levels below this (CEO-1 and CEO-2). This is the biggest improvement year on year of any company in the FTSE 100.

In addition to bringing diverse views, the Board also believes at least half of its members should be made up of independent non-executive Directors.

A focus on....stakeholder engagement

The long-term success of a business is dependent on the way it works with a large number of important stakeholders: shareholders, clients and customers, employees, supply chain, communities, strategic partners and policymakers. The 2018 UK Corporate Governance Code rightly places emphasis on businesses building trust by forging strong relationships with their key stakeholders. We have processes in place to ensure that the Board engages with these key stakeholder groups and that this engagement can support decision making. This year, we have had a particular focus on bringing the voice of our colleagues to the Board and Melanie Gee, non-executive director, has taken on a new role as the employee representative on the Board.

It's vital for the success of a people business like ours and we have developed a structured programme incorporating both formal and informal channels to enable this to work effectively. Colleagues are encouraged to share their views openly and honestly at our 'Meet the Board' sessions, engagement dinners hosted by Melanie, and regular Board Employee Engagement Group meetings. In 2019, these face to face sessions across the globe involved more than 350 colleagues. We also held all-employee surveys to dive into specific topics.

The views that are collected are taken to the Board for discussion and action plans developed to address issues that are identified. This programme of dialogue, reporting and action is fed back to employees through regular ongoing communications from Melanie.



For the first all employee survey, I was keen to understand what is most important to our colleagues when it comes to our impact on society and the environment. We had over 1000 responses to this survey. For our own operations, climate change is very clearly the top theme they think we should prioritise. This is followed by employee well-being and ethical conduct. For our investment influence, again climate change is top and this is followed by ethical conduct, and poverty and inequality. This is very much in line with a number of our priorities and with what other stakeholders are telling us they care about. As a Board, this is helping us to galvanise action plans prioritising the areas of most importance to our key stakeholders.

Melanie Gee,
Non-Executive Director



As an investor, we expect investee company Boards to be responding to the needs of all their stakeholders. Our experience tells us that maintaining strong connections with, and amplifying the voices of different stakeholder groups at Board level, has a direct benefit in maintaining strong ethical conduct and a positive company culture - key characteristics of a sustainable business.

Euan Stirling,
Global Head of Stewardship
and ESG Investment



Read more on our corporate governance in our annual report and accounts

Ethical conduct

Ethical conduct is one of the issues our stakeholders told us was most important to them in our recent materiality review. We agree this is key to running a successful business and building trust with all our stakeholders.

Our global code of conduct describes the principles and standards that we hold ourselves to and ask all our employees to consider in every decision and action they take. All our employees receive training on the content and meaning of the code and are required, at least annually, to confirm that they have read and agree to abide by its principles.

If our employees have any concerns we encourage them to report this to their manager. An independently managed confidential speak up hotline and web reporting is available if employees would like to raise a concern anonymously. All concerns raised are taken seriously and any victimisation, harassment, discrimination or bullying of anyone raising a genuine concern will not be tolerated and will be considered a disciplinary matter. We also advertise this hotline to our suppliers who are able to use this in the same way.

5 incidents were reported and investigations carried out in 2019. (2018: 15)

100% Employees completing code of conduct training and attestation (2018: 95%)



Complying with law and regulation in the jurisdictions in which we operate is very important to us but it is only part of the story. We strive to embed ethical conduct and thinking at the heart of our culture. We continually ask ourselves what our stakeholders would expect of us in the way we do business, and challenge ourselves to live up to that.

Rushad Abadan,
Group General Counsel



Risk and responsibility

Information security awareness

Information security has rapidly become a major issue facing all large companies, and we are no exception. It is critical for both our business and customers that we manage this risk appropriately.

- Information security is managed as a part of our enterprise risk framework.
- We have multi layered controls in place to help prevent attacks, and then to detect and respond appropriately to incidents and events.
- We use specialist external service providers to ascertain the effectiveness of our security control environment, security strategy and programme and governance processes.
- Our cyber security policy and standards are aligned with industry good practice.
- A dedicated department 'Security, Resilience and Privacy' supports our business with all aspects of security. And we have an information security online hub for all our people – with common Q&As and short videos.
- We have ISO22301 certification for Business Continuity.
- Dedicated teams are in place to effectively deal with emerging cyber threats and criminal campaigns. Our response plans are tested regularly.
- We provide mandatory training for all our employees on information security – 98% of our people have completed this training so far. We also focus on high risk areas of the business with classroom training and seminars on topics such as the techniques hackers use to research and socially engineer employees in order to get access to a company's network.
- Cyber security awareness campaigns help our people understand the threats and how to improve their own, and our customers' security.



Raising awareness of good security practices amongst our people remained a key focus in 2019. We delivered numerous initiatives including an online 'Information Security Hub', a global 'Security Awareness Week', cyber security classroom training around the globe, and several simulated phishing attacks launched against all our employees and contractors. Because security is everyone's responsibility.

David Scott,
Chief Information Security Officer



Security awareness week

We have led an awareness week for a number of years and in 2019 we took a different approach. Instead of focusing on specific security threats or areas, our aim was to encourage employees to engage with the security function. We shared stories of real security incidents and how our security team helped our wider business to respond (e.g. Phishing and extortion emails). It was also very important for us to help everyone understand their security responsibilities and what our Security function can do to support achievement of business objectives.

Phishing simulation

To supplement our phishing training efforts we conduct quarterly exercises that simulate phishing attacks. Fake phishing emails are sent to everyone in the organisation. This ensures everyone stays vigilant and knows how to recognise and report suspicious emails. The results of these exercises are analysed and reported to management and the Board.



Responsible tax

A large part of running a responsible business is committing to high ethical, legal and professional standards – and being open, honest and transparent about what we're doing to meet those standards. These guiding principles have been used in formulating our tax strategy which sets out our approach to governance over tax matters, our attitude to tax risk, our attitude to tax planning and how we work with HMRC and other relevant tax authorities.

We provide products to a diverse range of clients and customers, from a variety of global locations – so our savings and investment products are set up to follow each location's tax legislation.

We also follow local and international rules around reporting to tax authorities about our customers' investments. We aim to build professional and constructive relationships with tax authorities, government and representative bodies ensuring we play our part in helping to develop a sustainable framework for tax policy and legislation. We also submit Country by Country Reporting to HMRC who share this information with relevant overseas tax authorities.

£526m total tax contribution¹



Building relationships with our clients and customers

We serve a diverse range of people and institutions with complex requirements. In 2019 we launched our 'Students of Clients' programme to help our colleagues develop a deeper understanding of who our clients and customers are; how we engage with and support them; how we gain insight to create solutions that meet their savings and investment objectives; and how we adapt our approach across the globe.

We continue to use the Customer Sentiment Index to bring the voice of ASI's retail customers into our business conversations and during 2019 we saw very positive scores (96/100) for satisfaction with the way calls were answered. We also identified a number of customers who would prefer to engage digitally than over phone. Based on this feedback we are enhancing the current website and offering customers a fully digital solution.



Financial crime, bribery and corruption

We are committed to minimising financial crime, protecting corporate and customer information and assets, and promoting a zero tolerance approach to financial crime, bribery and corruption. We have policies and frameworks in place to help ensure that we only receive or pay money to or from clients and customers, third parties, partners and suppliers that we've identified as suitable to do business with.

We run mandatory annual training for our employees which requires passing a test that confirms their understanding of both our policies and the part our people play. We also maintain a register for any gifts and entertainment we receive and provide. We have processes for reporting and reviewing breaches of our policies. In 2019 we had no breaches.



To make the right decisions, we need to understand the risks and opportunities across our business, including supply chains, information security, data, financial conduct and responsible tax management. We want to ensure our approach is aligned with the diverse interests of all stakeholders globally, and what they need from us now and for the future.

Stephanie Bruce,
Chief Financial Officer



¹ This includes all the taxes the Group pays to and collects on behalf of governments in the territories in which we operate

Together

we are tackling the climate crisis

In order to meet the goals of the Paris Agreement and limit global warming to 1.5 °C urgent action is required. We have a key role as an investor but we also believe that it starts with our own actions. We want to ensure we are reducing our emissions, protecting our people and clients from the risk climate change poses, and looking for the opportunities a low carbon economy presents.

Waste and consumption are major issues affecting our planet. While this is not a material issue for our sector, we still want to be part of driving positive change. We are focused on removing single-use plastics from our operations and, for investee companies where it is a key challenge, encouraging them to reduce their waste.

In this section:

- We have set new operational greenhouse gas and energy reduction targets and have pledged to go carbon neutral.
- We have been holding Boards and sectors to account for their climate change impacts.
- We have reviewed our progress in eliminating single-use plastics in our offices.

Our 2018 pledges:

- We will develop new 2030 greenhouse gas reduction targets and climate change strategy - **ACHIEVED**
- We will procure 100% renewable electricity at the offices we operate across the globe by 2020 – **ONGOING**
- We will remove all single-use plastics from our offices by 2020 - **ONGOING**
- All the landlord procured electricity in the real estate Aberdeen Standard Investments manages in the UK will be 100% renewable electricity by 2020, and we will increase the amount of renewable electricity procured globally – **ACHIEVED**
- Our strategy will make our Airport Industrial Property Unit Trust (AIPUT) real estate fund carbon neutral by 2025 – **ONGOING**

New pledges:

- We will reduce our scope 1 and scope 2 emissions by 50% by 2030
- We will reduce our energy use by 30% by 2030
- We will be carbon neutral across our operations in 2020
- All the real estate Aberdeen Standard Investments manages globally will be net zero by 2050

Total greenhouse gas emissions



KPI

19,669 tonnes CO2e

(2018: 32,218 tonnes CO2e)

99%

Renewable electricity procured in our offices
(2018: 98%)



ESG engagements with investee companies on environmental issues



100%

Renewable electricity powering our real estate investments in the UK

Climate change

We are supportive of the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations and have published our first report. The following provides a summary of our approach across our operations and investments.

It starts with us

We manage our environmental footprint by focusing on our biggest impacts first, using a carbon footprint approach. We set 2018 as our new baseline year and, during 2019, we developed targets for our energy use alongside a strategy to attain these.

- We will reduce our scope 1 and 2 emissions by 50% by 2030.

2018	2030 target	2019 actual
9,736 CO2e	4,868 CO2e	6,591 CO2e

- We will reduce our energy use by 30% by 2030.

2018	2030 target	2019 actual
35,017 MWh	24,512 MWh	23,529 MWh

We have already met our long-term target to reduce our energy use in just one year. We knew that some of this would be achieved through better utilisation and consolidation of buildings from our company merger, but this has additionally been helped by energy efficiency projects in a number of our larger sites. We've also made efficiency a key consideration in any new locations we've occupied. We will be reviewing our target during 2020.

We have almost achieved our pledge to procure 100% renewable electricity at the offices we operate across the globe by 2020 – we are currently at 99%.

Case study – Edinburgh

One of our key UK offices is a composite site with a Georgian front and a 1960s annex attached. We've been rolling out energy efficiency lighting throughout the site and this year we also replaced the chiller pumps on our Heat Ventilation and Air Conditioning Systems. This one project should reduce energy use at the site by 43,200 kWh. We are also replacing the lifts for regenerative-drive lifts reducing the energy used by them by up to 75%.

Our workplace team constantly assesses the requirements of the occupants in the site. For example, reviewing the data of timing of occupancy they determined they could reduce the hours the building management system was working.

All of these projects together have seen the electricity use on the site drop by 20% in comparison to 2018, and further reductions are expected.

Case study – Philadelphia

We recently re-located our colleagues to a new office in Philadelphia. Energy efficiency was a key priority when obtaining the new lease. The building is LEED and Energy Star Certified, and is close to the city's main public transportation links.

The office is smaller than our previous site, but the space works harder by being more agile. There are still traditional meeting rooms but the new site also offers 20 collaboration spaces and touch down desks are spread throughout the office. There are also significantly more video conferencing facilities, aiding collaboration across the region and world.

After one month in the new location, our energy use was already down by 20%.



Key to reducing our environmental impact is engaging our people with our strategy. This year we've focused on our biggest impact – business travel, specifically flights. This is notoriously difficult for large global businesses to reduce so we've been taking a multi-faceted approach to this issue.

We have been sharing with colleagues how they can reduce their impact from travel, for example, making more use of the technology we provide (such as video conferencing, which we invested over £1.5m in improving in 2019), increasing their use of rail for domestic travel, and, if they are flying, to pick a non-stop route. Colleagues have also shared their experience of lower carbon travel. On World Environment Day, our CEO wrote to those colleagues who are our top 100 flyers, asking them directly for their help to reduce our carbon footprint.

In 2019, we saw a reduction in our emissions from travel of 42%, compared to 2018.

Carbon offsetting

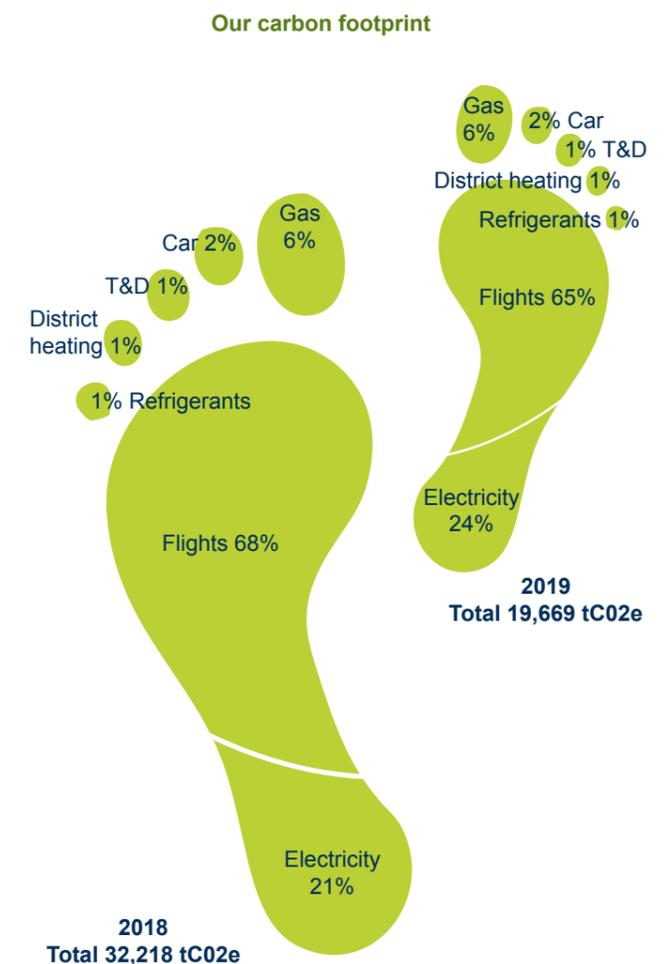
Alongside this activity, we also decided to offset our entire operational carbon footprint in 2020.

We've chosen to compensate for half our footprint in a way that relates directly to our core purpose – by purchasing carbon credits from a wind project in India. As well as helping to reduce local air pollution, the project is an investment in low-carbon infrastructure in a country where energy demand is growing fast. It also has a long-term impact and supports the growth of the renewables industry.

We then asked our employees to decide how we offset our remaining footprint by voting for one of two social impact projects. They selected The Gola Rainforest Project in Sierra Leone. This activity will help to protect around 3,000 hectares of pristine rainforest in 2020. The Gola rainforest is home to over 330 species of bird, the pygmy hippo and the critically endangered western chimpanzee. The project also trains local farmers in sustainable cocoa farming, and invests in schools, hospitals and education.



39% reduction in greenhouse gas emissions since 2018



I want us to show leadership in tackling climate change, so I'm delighted that our emissions from energy dropped by 32% this year. It highlights what can be accomplished in just one year.

Mike Tumilty,
Chief Operating Officer



Climate change

“We are committed to help tackle climate change – for our clients and customers, shareholders and the generations to come. This goal will inform how we invest our clients’ money, manage our assets, conduct research, and engage with companies to influence change for a better future.”

Rod Paris,
Chief Investment Officer

To understand the steps a company is taking, we engage with them and encourage best practice.

Engagement is vital to communicate our expectations and evaluate the risks a company is facing. If we find they are not taking action accordingly, we use our voting rights to influence change. If we fail to see progress, we will reduce our positions or sell our holdings in companies completely.

Energy efficiency and capital allocation

To achieve the Paris target depends on whether the world is able to quickly deploy large amounts of private capital to construct renewable energy infrastructure, provide low-carbon transport and improve energy efficiency. At an asset level we consider an asset’s strategy and emission trajectories and compare this to what is required under the Paris Agreement.

In real estate, we manage the energy performance of all of our assets where we have operational control. In the UK, all landlord-procured electricity is now 100% renewable. As signatories to the Better Buildings Partnership Climate Change Commitment we have committed to achieving net-zero emissions from our global portfolio by 2050 and will publish our pathway to achieving this during 2020. With approximately 1,600 real estate assets under our management globally, we have a significant role to play. Acting now to establish the necessary pathways will future-proof our portfolios and protect and enhance investment performance for our clients and customers.

Joining with industry peers

We work in collaboration with industry bodies and peers to encourage improvements in data, disclosure and reporting. Aligning our expectations helps to increase pressure on investee companies and drives more effective change.

We are founding signatories of Climate Action 100+, a leading campaign group with 320 supporters. As part of this we are among a group of investors that are pushing certain companies operating in the construction materials sector to accelerate efforts to reduce their emissions. Cement production, which uses large amounts of heat and energy, is responsible for 7% of man-made carbon dioxide emissions and is the second largest source of CO2e on the planet. The group want construction material companies to commit to carbon-neutrality by 2050, and to improve corporate transparency, disclosure and oversight on climate change, stating that firms that don’t move quickly to change their practices risk losing access to capital.

Investing with purpose

Climate change is a core pillar of our ESG integration process across all asset classes. We believe that understanding and managing the risks and opportunities related to climate change leads to better investment decisions, better outcomes for our clients and customers, and a more sustainable world. It is vital that we are supporting the low-carbon transition in alignment with the goals of the Paris Agreement.

What is the Paris Agreement? A global agreement to limit average temperature increases to a maximum of 2°C above pre-industrial levels, and ideally 1.5°C.

Research and integration

A key first step is researching and understanding the issues. Our climate-related research provides insights on regulatory and industry trends across regions. It also helps us understand the physical and transition risks and opportunities, helping us to take informed decisions about how and where to invest.

Stewardship and engagement

For equities and fixed income, we take a systematic approach when evaluating companies and driving change, focusing on high risk and high carbon emitting companies.

To effectively respond to the climate crisis, we expect these companies to demonstrate:

1. transparency on climate-related risks and opportunities
2. a clear climate strategy
3. robust, Paris Agreement aligned targets
4. action to achieve the targets
5. support of public policies that are aligned with the Paris Agreement goals

Climate change data

The availability of reliable and robust climate-related data is critical to making effective investment decisions.

We currently provide a carbon footprint for a number of our portfolios in equities, fixed income and real estate. This helps identify carbon-intensive companies and drive corporate engagement, however, as a backwards looking measure, it has its limitations. As of 2020 our ESG score card is used to create a consistent framework for analysing and communicating our ESG company views that is applicable across our listed company investments. One quadrant of this scorecard is climate change and we will collect both backward (carbon footprint) and forward looking data (such as targets and projects) to assess a company. This all feeds into an ESG score for each listed company.

As an active manager we need to understand the climate related risks through the quantification of impacts on our assets under management. We use scenario analysis to do this, looking at a range of climate scenarios, including the 2°C scenario, and the impact of higher carbon prices. This informs the way we allocate capital on behalf of our clients and customers.

Unlocking solutions

Across our asset classes, we are creating solutions that enable our clients and customers to invest in the low-carbon economy:

Credit

We manage a low-carbon fixed income portfolio that identifies companies well positioned for the energy transition based on a backward and forward-looking view. We also include low-carbon considerations in our ethical credit strategy and our SRI products.

Equities

Our Impact investing solution aims to support the delivery of measurable, positive environmental and social impact while generating strong financial returns. This portfolio, which is aligned to the UN SDGs includes companies that provide solutions for clean energy, energy efficiency and access to energy. In addition, our ethical strategy screens out companies that have significant carbon-intensive operations, such as coal mining.

Real estate - AIPUT

In 2018 we pledged to achieve carbon neutrality in our Airport Industrial Property Unit Trust (AIPUT) by 2025. AIPUT is a portfolio composed of warehouses and logistics accommodation in five of the UK’s main airports. In 2019 we significantly tightened the standard specification used for new build and refurbishment projects in the Trust to support this goal. This includes minimum energy performance requirements and targets for emissions reduction which exceed planning requirements. Progress has also been made with landlord-led solar photovoltaic installations and engaging with tenants to better understand their energy usage and needs.

	Focus	Objective
It starts with us	Our operations	Reduce our most material emissions - energy use and travel. Offset the residual footprint.
	Disclosure	Report our progress in our TCFD report
Investing with purpose	Research and data	Understand the material issues through research and data analysis e.g. carbon footprinting and scenario analysis
	Investment integration	Integrate potential impacts of climate-related risks and opportunities into investment decisions
	Investee engagement and voting	Targeted engagement and voting to understand exposure and drive change
	Real assets	Reduce emissions of our assets and allocate capital to low-carbon infrastructure
Unlocking solutions	Collaboration and influence	Collaborate with industry peers and organisations to collectively drive change
	Client solutions	Develop innovative solutions responding to client needs and promoting transition to low-carbon economy

Read about our overall governance, strategy, risk and opportunity management, and metrics approach within our TCFD report

Waste and consumption

Single-use plastics, or disposable plastics, are typically used only once before they are thrown away or recycled. Poorly managed waste plastics pose a threat to the global environment.

It starts with us

All the offices we manage in the UK are zero waste to landfill, but we wanted to go further and look at how we reduce the wastes in the first place. In 2018 we pledged to remove all the single-use plastics we purchase in our global offices, where feasible, by 2020. Throughout 2019 we took a methodical approach, working our way through our most used items:

- we removed vending machines from our offices that used disposable cups, and the disposable cups themselves
- we removed plastic water bottles from our meeting rooms
- our on-site restaurants removed plastic cutlery and expanded polystyrene containers

Following these activities, we carried out an audit to understand and identify our next steps. While we've achieved a lot, there is definitely more to do.

We are going to carry on reducing single-use plastics and are always looking at ways to do this. We research the issues to ensure we are moving to appropriate solutions. And we've been asking our people for their help too, as often the single-use plastics are being brought into the office.



As we were going through this process, it brought to light the scale of the issue – single-use plastics are everywhere and when we take away one another often appears in its place. We know we're not going to solve the problem completely, or get it right 100% of the time, but by focusing on the biggest sources of waste we can make a real difference.

Ann Meoni,
Environment manager

Our Environmental Champions

Our environmental champions network has had a busy 2019, leading a number of environmental projects across our global offices and building a culture of environmental awareness. Their activities include sustainable fashion swap shops, paper towel waste reduction awareness and launching a crisp packet recycling scheme.



Investing with purpose

Encouraging companies to be better corporate citizens

New legislation and consumer demand is changing the market dynamic of single-use plastics. Engagement with investee companies enables us to understand those companies that have clear strategies to deal with these risks.

Our ESG investment team noted concerns around the company FLXACQ (Novolex) due to their exposure to single-use plastic retail bags. These concerns were amplified by an acquisition which increased FLXACQ's exposure to single-use plastics including food containers, cutlery, drinkware and plates; and the announcements from a number of large retailers that they were pulling out of single-use plastic bags in stores. This ESG risk was escalated to our fund managers.

Unlocking solutions

Reducing the impact of our events

Most events stands are used once before being thrown away. Our Events team has been working with Ecobooth to develop a range of reusable exhibition stands that are made purely from repurposed plastic reclaimed from the oceans. This is a visible way in which we can demonstrate our actions. The first UK stand was set up at the Pensions and Lifetime Savings Association Annual Conference. This consisted of 1.33 tonnes of post-consumer plastic waste – the equivalent of 55,415 500ml plastic bottles or 3,166,666 single-use plastic drinking straws.



Together

we are building a more inclusive business and fairer society

Inequality in society is a major global issue. The concentration of wealth is impacting on stability and prosperity for all. We need to direct capital and resources towards organisations and products that are helping to tackle this. This is particularly important at a time when people are having to take ever greater responsibility for their own finances.

We also have a key role in supporting diversity and inclusion and have the ability to influence this in various ways. For our own colleagues we want to ensure everyone feels included and able to reach their full potential. As an investor, we can champion change in companies and sectors.

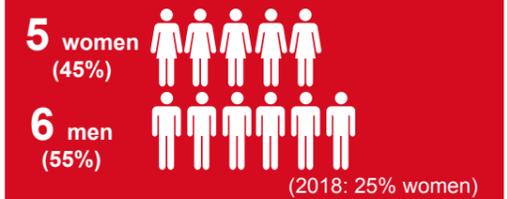
In this section:

- Our people continue to experience change – we are listening to what they need and launching leading work-life balance policies, helping them feel included and supported.
- We have launched new investment voting policies on issues such as board gender diversity.
- We have been collaborating with others to tackle big societal issues, including relaunching our charitable giving approach.

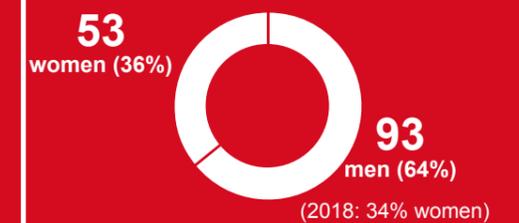
Our 2018 pledges:

- 33% of our board and our executive population will be female by 2020 - **ACHIEVED**
- We will develop a new social mobility action plan and targets - **ACHIEVED**
- We will continue to publish annual action plans for gender balance and ethnicity – **ACHIEVED**
- Through technological solutions we will open up advice and guidance to more people, increasing availability in the market and making financial wellbeing more inclusive - **ONGOING**
- We will carry out impact analysis on our community investment programmes to further understand the areas that we can focus on for greatest positive impact - **ACHIEVED**

Gender split at Board level



Gender split at CEO-1 and CEO-2 level



Total charitable contribution

£3.4m
(2018: £3.2m)



Diversity and inclusion

It starts with us

As we look to 2020 and beyond, we're replacing separate inclusion action plans and commitments with one overarching framework built on simplicity and consistency that will enable us to learn more from each other and coordinate our efforts:

Part of our purpose

- Continue integrating diversity and inclusion into our approach as an investor and employer, and through our partnerships in the community, so diversity and inclusion is embedded across all aspects of our business.

Inclusive ways of working

- Creating a flexible environment to grow our global business and help our people work in ways they can be at their best and balance their commitments.
- Expanding our well established employee communities, increasing collaboration to support inter-sectional needs, and ensuring effective senior leader sponsorship.

Diverse talent into and through our company

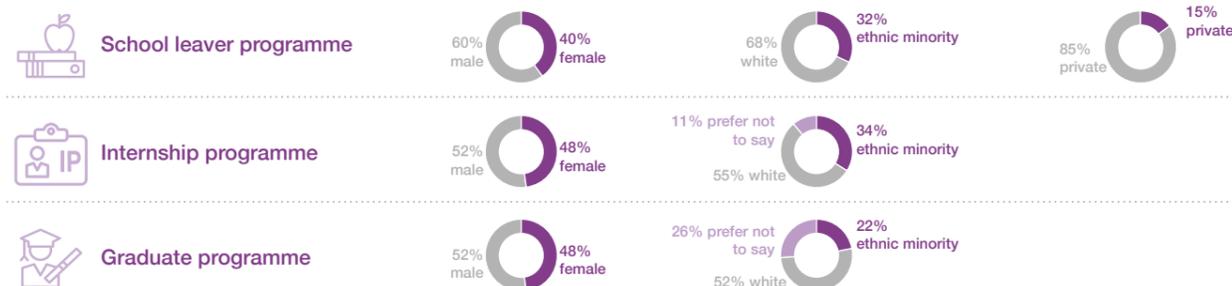
- Growing diversity at all levels through re-committing to Women in Finance Charter targets and measuring broader diversity and inclusion outcomes.
- Evaluating how we attract and bring diverse talent into and through our company, making sure there are no barriers for all our people to progress, and measuring impact. To address under-representation, keep our focus on gender balance, ethnic diversity and social inclusion.

Feeling included and valued everyday

- Continuing to develop the capability of all leaders and managers to build inclusive teams and environments as part of our people management expectations.
- Further developing forums for leaders and colleagues to talk openly and hear each other's experiences, understand the challenges and take action in response.

Within this framework, in 2019 our executive leaders published their diversity and inclusion commitments and, to support delivery, approximately 600 leaders and managers participated in workshop events across the year, exploring their personal role in creating and sustaining an inclusive culture.

Our UK programmes



Diverse talent into and through our company

In our main UK office locations, we partner with charities, local government and other businesses to support social inclusion and break down barriers to work. For example, we collaborate with schools to deliver breakfast clubs and life skills education; and with charities, the education sector and government to promote life skills and create effective, supported transition pathways in to the world of work.

For recruitment, at the application and interview stage we use an augmented writing tool to ensure our job adverts are free from gendered language. To counteract any potential bias at interview stage, we have created a diverse pool of 50 colleagues who volunteer their time to support the interview process. For our school leaver programmes we use qualification-blind recruitment, and in our graduate programmes we have removed minimum degree level requirements.

To promote our early careers opportunities, we attended 16 careers fairs and events across the UK during 2019. We also took part in events focussed on demystifying our industry. These included five aimed at students from minority ethnic or low socioeconomic backgrounds, AuthentiCity- a careers event for LGBT+ students looking for City opportunities, and Bright Network's Women in Leadership event in Manchester where 43% of attendees identified as BAME and 41% were first generation university students.

In the UK we have been partnering with Sponsors for Educational Opportunity (SEO) to help attract graduates from minority ethnic and low socioeconomic backgrounds. Of the 71 candidates we accessed through SEO in 2019, 39 have applied to SLA.

In the Americas, we have begun a partnership with Gateway to Leadership Foundation who aim to create greater awareness of career opportunities in the financial services industry for aspiring minority students and provide them with workforce readiness training and internships.

Data from our intakes to early careers programmes in 2019 shows strong gender balance and increased ethnic minority representation.

Some of our activity has been focused on specific characteristics, including increasing gender balance and ethnic minority representation as, through analysing workforce demographics, we know our representation is not where it needs to be.

Gender

Balanced representation of men and women in the workplace not only supports business success but also tackles broader social inequality. We're committed to improving gender balance at all levels in our business from early careers up to and including the Board. As part of our HM Treasury Women in Finance Charter pledge we have made the following commitments:

KPI	Women as % ^[i]	2020 target (WiFC)	Change since target set (2017)
Board	45% (5 of 11)	33%	+20%
CEO-1 & CEO-2 ^[ii]	36% (53 of 146)	33%	+9%
UK	46% (2,209 of 4,846)	50% (+/-3%) ^[iii]	-1%
Global	46% (2,861 of 6,213)	50% (+/-3%)	-1%

[i] Data shown as at 7 January 2020.

[ii] Targets are set for our senior leadership population CEO-1 and CEO-2 (leaders one and two levels below CEO, minus administration roles). Targets are not applied at these levels individually but for transparency, the breakdown of women at CEO-1 and CEO-2 is as follows:

- CEO-1: 18% (3 of 17), +3% since December 2018
- CEO-2: 39% (50 of 129), +3% since December 2018

[iii] Tolerance of +/- 3% applied to UK and global targets

Progress has been good, particularly at Board and CEO-1 level, but we are not complacent. A key driver of our gender pay and bonus gaps is the lower number of women in senior roles and the higher number of women in junior roles, and we believe progress against our senior leadership targets will result in a reduction of these gaps.

Ethnicity

In 2018 we became one of the initial signatories to the UK Government's Race at Work Charter and in 2019 we were showcased in the Charter's year one report highlighting the progress we have made in developing our leaders' capability and accountability.

A key focus throughout 2019 has been encouraging colleagues to talk about race and multiculturalism through a series of lunches and events co-hosted by Unity, our ethnicity and multicultural network. Over 300 colleagues have joined these events to listen to colleagues talk about their experiences and share stories in a safe environment.

Social inclusion

We've made strong progress in improving the social diversity of our early careers recruitment, but we have more to do on data and progression. The feedback we've received from external partners such as the Social Mobility Pledge and from our own employee networks, alongside change in the external landscape, has also helped us identify some specific areas of focus.

In support of the revised diversity and inclusion framework, our funded community and school-based programmes will specifically target groups who face multiple barriers, or "double disadvantage", and for whom statistics demonstrate poorer social mobility and opportunity. As well as continuing to focus on making our school leaver and graduate programmes more inclusive to those from different backgrounds, we will continue to track data to ensure development and progression is equalised and translating in to the right outcomes.



Inclusion and wellbeing

Smarter working

To understand what practical changes we could make to support work and life flexibility, we surveyed colleagues and found all generations (Baby Boomers, Generation X and Millennials¹) prioritised increased technology, remote working opportunities and flexible hours and patterns. This analysis influenced the design of our Smarter Working policy and guidance to help our people balance their personal and professional ambitions. By equipping our global workforce to collaborate across teams and locations, we have the flexibility and innovation needed to meet the diverse needs of our clients and customer base.



I work 4.5 days a week, one of those from home and I have flexibility with my non-working day. This allows me to attend my elderly parents' hospital appointments. They are both in their 80s and have complex medical conditions which means they can't always take in all the information given to them. I also come in a bit later one day a week which enables me to drop my kids off at school which is important for them. Initially, when I requested to work in this way, I was worried I would be overlooked and not given challenging pieces of work because I work four days or because I'm not always visible in the office. However, this has not been the case at all. It means so much and ensures that I can focus on work when I'm in work and give my absolute best.

Lorna Tannock, Senior Proposition Manager



Getting the basics right

Our business has undergone a number of big structural changes over the last few years. This brought together colleagues with a variety of different terms and conditions. We want to be a single, cohesive business so have finalised the complex process of creating a unified set of terms and conditions for our UK colleagues. Our starting point was fairness and consistency: terms and conditions that could be applied for everyone, regardless of which initial company they came from, their level of seniority or how long they have worked at our business. We talked to colleagues and our Employee Forum (our employee representation body) on all aspects of the changes. We know this means that colleagues may gain some new benefits and lose others but we believe overall this is a set of fair and leading terms:

- 40 days holiday
- 16% pension (plus matching up to 2%)
- Private healthcare
- Income protection
- Inclusive policies – supporting colleagues through their life events as well as their career



Our new Parent Leave policy

For all UK colleagues welcoming a new child into the family, we've introduced 52 weeks leave, with 40 weeks at full pay, regardless of gender or length of service. This can be taken in up to three separate periods over two years. This provides true equality of opportunity for our people and for families of every type. For partners, the change is especially significant – enabling them to spend an extended period of time with their new child too. Working parents will have more control over when they return to work and how to better balance their family's needs with their career aspirations.

Rose Thomson, Chief HR Officer



How do others think we are doing?

We are ranked in Bloomberg's Gender Equality Index for the second year in a row. This is a global benchmark on gender equality, created to drive transparency and provide investors with standardised, comparative information on how companies are advancing women in the workplace.

For the third year in a row, we've been listed in the Social Mobility Foundation's index of the leading employers for social mobility. The index highlights the employers doing the most to change the way they find, recruit and progress employees from different social class backgrounds.



The importance of wellbeing

The foundation of a healthy business culture is healthy and happy employees. Mental health is as important as physical health, and the two are strongly connected. In our 2019 ESG survey our colleagues told us this was one of the main issues they want us to focus on.

This year over 1,800 colleagues in 26 locations took part in the Global Challenge – a 100-day challenge to encourage new habits to improve health. By the end of the 100 days our employees had walked over two billion steps and 72% felt less stressed.

Mental health issues can affect anyone at any time. We've been encouraging our people to support one another – from simply asking "Are you ok?" and really listening, to building time into their week to sit down and have a chat or a walk with colleagues. Volunteering to help others is another way to connect with their communities and support their own mental wellbeing: something that we championed on our global volunteering day. We have also been reminding our colleagues about the support we make available, from the Employee Assistance programme to the mental health pathway through our private medical cover. All this activity has been carried out in conjunction with our Mind Matters employee network and our Employee Forum.



Recognition for our wellness approach in Asia Pacific

Given the unique mix of cultures, races, languages and ethnicities across the 10 different markets that we operate in Asia Pacific, it is vital that we create and foster an inclusive and embracing culture that makes people feel safe, accepted and valued at work. We've been focusing on all aspects of employees' lives – work, home, community, personal well-being and health. We began our programme in 2018 and are now seeing lower turnover compared to industry norms and less absenteeism compared to the national average. To add icing to the cake, we have received recognition from the industry with a win at the HR Excellence Award in the Corporate Wellness category!

Tay Kheng Guet, Head of HR, Asia Pacific



¹ Based on 313 colleague responses. We recognise there are more than three generations in the workplace however data samples from Traditionalists and Generation Z were too small to meaningfully analyse.

Human rights and employment practices

Investing with purpose

Holding boards to account

In 2019 the proportion of shareholder-proposed resolutions focusing on employment practices – such as diversity and the gender pay gap – has increased significantly.

A significant change was the implementation of voting policies related to gender diversity in the UK, Western Europe and North America. While we are seeing a broad trend of improvement in gender balance on boards, we took voting action where gender diversity did not meet our expectations and where companies couldn't demonstrate commitment to improve. In the UK, the Hampton-Alexander review has set a target for FTSE 350 company boards of one-third (33%) representation of women by the end of 2020. In order to reflect our support for this target, our policy for 2019 was to vote against the nomination committee chair (NCC), where appropriate, of any FTSE 350 company with less than 25% representation of women on the board. For smaller companies, we took voting action against companies that had no female representation on the board. This reflected the fact that such boards tend to be smaller, with less director turnover than large companies. In Europe, we adopted the same approach as we had for the UK. In the US, meanwhile, we voted against the NCC where there was less than 20% female representation on a board. In 2019, we voted in relation to board diversity at 44 UK, seven European and 74 US companies.

Human rights proposals also increased and this year included resolutions attributed to advances in new technologies such as facial recognition software, and online risks, such as content governance, hate speech and child exploitation. Resolutions were tabled at some of the largest names in tech, such as Amazon and Alphabet. In Amazon's case, we voted in favour of a resolution relating to reducing hate speech.

In addition to the thematic areas, we voted on a range of specific issues including the management of nuclear facilities by Japanese utility companies, the prevention of animal cruelty and the sale of tobacco.



Joining with other investors

We are part of a group of investors controlling more than \$10tn in assets that has written to the world's largest mining companies demanding they reveal the safety records of their waste dumps. This comes after social and environmental catastrophes including the Brumadinho dam collapse in Brazil which killed hundreds of people. The dams are generally used for permanent storage of mining byproducts, which can be toxic. FTSE 100 mining companies Anglo American, Antofagasta, BHP Group, Glencore and Rio Tinto all received letters asking them to publicly disclose their dams' size, construction methods and safety records.



Encouraging companies to be better corporate citizens

Every year we meet with and discuss ESG issues with hundreds of companies. Our aim is to understand the steps they are taking to address material ESG risks and to encourage action and best practice.

In Q1 2019 we met with Boohoo to discuss labour issues, human rights and their supply chain.

Boohoo is a UK-based online fashion retailer, which operates and distributes products globally. Over the past few years, Boohoo has been on the receiving end of a number of negative news stories including allegations of poor working conditions and apparent non-compliance with minimum wage standards within their UK supply chain. In the UK, the industry is also facing wider scrutiny from the Environmental Audit Committee (EAC). Its "Sustainability of the Fashion Industry" inquiry investigates the social and environmental impact of disposable 'fast fashion' and the wider clothing industry.

We wanted to understand how Boohoo was managing these concerns. Its management team invited us to its head office in Manchester and its newly automated warehouse in Burnley.

We found that Boohoo has improved the level of disclosure. However, comparisons with peers show there is still more it could provide. This includes greater detail into its auditing practices and outcomes. We would also like further clarity on how it mitigates the risks of human rights abuses in its supply chain.

The EAC inquiry has called out Boohoo, alongside other clothing retailers, for a lack of sustainability actions and labour initiatives. However, the company is starting to improve its environmental impact in a number of areas, for example, its textile recycling service. We expect to see more on this in the near term.

The new warehouse has improved efficiency and quality of work for employees and that has been well-received in staff engagement surveys.

As an 'escalation candidate' we will continue to monitor and engage with Boohoo to ensure progress continues to be made.



Our overall approach

Our human rights policy sets out our approach to identifying and upholding the human rights of our people, customers and clients, communities and those impacted by our suppliers, partners and the companies we invest in. Our investment approach is where we can have our biggest impact, therefore we consider ESG factors, including human rights, when evaluating companies. We focus on those companies at highest risk, assessing the management of human rights impacts and engage when appropriate to highlight issues and promote good practice.

We want to do all we can to help tackle human trafficking, forced labour, bonded labour and child slavery. We focus on our operations, supply chain and investment processes. We have published our 2019 modern slavery statement, reinforcing our commitment to this important issue. It details our new training programme, and provides an example of an engagement with an investee company on modern slavery issues.

We are a founding member of The Investor Forum, through which we participate in collaborative projects to tackle modern slavery in high risk sectors. We also support initiatives in collaboration with industry peers and non-governmental organisations to advocate for better enforcement of anti-modern slavery legislation. An example of this is the "Find it, Fix it, Prevent it" investor initiative launched by CCLA and industry organisations and academics, designed to encourage UK businesses to find and help victims of slavery within their operations and supply chain. The first sector which will be focused on in this project is the hospitality industry.



Investing for charities



We are truly client-centric in what we offer charities, as our approach is not 'one size fits all'. We listen to the particular concerns of each charity, in terms of the conduct or sectors which are contrary to their charitable purposes or values. We can then translate that into ethical screens applied at an individual stock level which gives trustees confidence their chosen screens can be applied with integrity and transparency. We were delighted that our approach was recently recognised with the Best ESG Wealth Manager award in the 2019 Investment Week Sustainable & ESG Investment Awards.

Julie Hutchison,
Charities Specialist, Aberdeen Standard Capital

Aberdeen Standard Capital (our discretionary investment manager) has a dedicated charities team providing tailored investment strategies for a wide range of charities.

We've found that client interest in responsible investing and ESG themes is growing rapidly. A particular trend over the last 12 months, for both current and new charity clients, is a move to a 'Climate Aware' investment strategy, which screens out a number of sectors such as oil and gas.

For many members of our charities team, their involvement in the charity sector extends beyond the day job as they have experience as charity trustees or finance committee members. This helps us to really understand the sector and issues trustees face.

We work closely with trustees and share our insight and expertise. This often involves a board workshop to support trustees as they review and select their ethical criteria and finalise their investment policy. Since 2016, we have shared our expertise with over 2,000 people at almost 100 charity workshops, seminars and conferences across the UK.



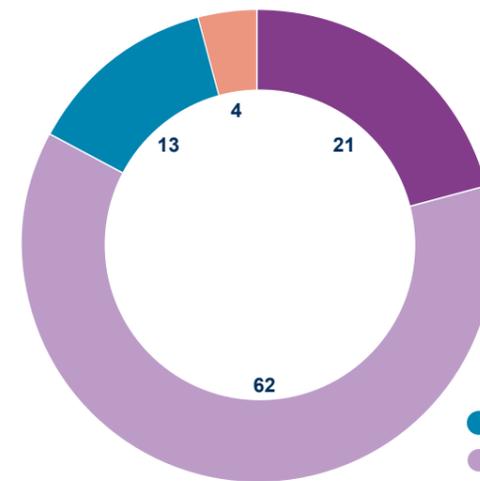
I wanted to thank the team for all the help and support that you have given us to create a College Investment Policy that was fit for purpose. I never expected the College's complex requirements in constructing an ethical investment profile to be straightforward... You were readily able to accommodate the strong approach that we took to avoiding investments in the fossil fuel sector and explained in a clear fashion the impact of such decisions upon the portfolios' expected performance.

Head of Finance,
a Royal Medical College



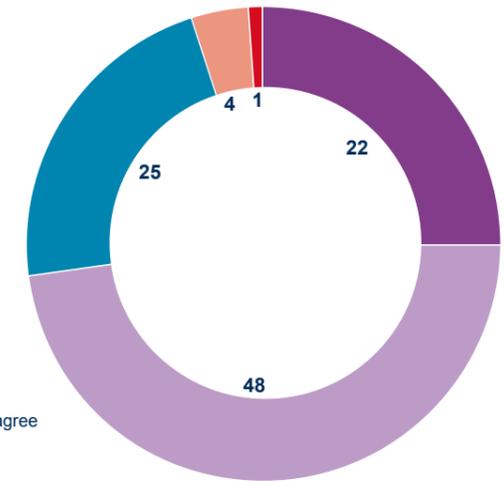
The Tipping Point: We commissioned research from the Cass Centre for Charity Effectiveness to better understand the barriers facing trustees as they approach investing for the first time. From this, we created a toolkit in 2019 enabling us to provide practical support to charities in this early part of their investment journey. We found **ESG and ethical aspects** to be very important considerations for trustees.

ESG issues are important to the charity (%)



Agreed: 83%
Disagreed: 4%

Ethical considerations should be high on a charity's list of priorities when investing (%)



Agreed: 73%
Disagreed: 5%

- Strongly agree
- Agree
- Neither
- Disagree
- Strongly disagree

Financial inclusion

Unlocking solutions

The UK savings market is evolving rapidly. Individuals have to take more control of their own life savings and their financial wellness, as the responsibility shifts away from companies and governments. Demographic, economic and societal trends are adding significant complexity to peoples' management of their life savings. Whether that's increasing life expectancy, the shifting nature of state benefits or a low interest rate environment, the factors individuals need to consider when they invest for their future are vast. However, many people can lack both knowledge and confidence when navigating these complicated financial options. Alongside this, the concept of retirement is evolving. For example, there will likely be an increase in individuals "unretiring" – in some cases that is tied to necessity, people haven't saved enough to sustain the lifestyle they imagined in retirement. This is driving the need for simpler products and services that help people invest and save effectively, and help address the advice gap that currently exists.

We are focused on developing solutions which help to protect individuals, directly or through an adviser, and ensure they are investing to meet their own life savings goals – whether that is a particular lifestyle in retirement, buying their first home, or saving for their grandchildren's future.

Our financial planning business, 1825, is designed to provide financial advice, over the phone and face to face. We have expanded our coverage over the last year and are now operating across the UK.

To support more people we are developing our digital advice capability with the aim of broadening access to more people and at a lower cost to individuals. We continue to pilot and develop this capability and will be rolling this out further in 2020.

In 2019 we launched Individually Managed Accounts (IMA) – a market leading innovation which will make it possible for many clients to access the personal portfolio services that were once the preserve of the few. Our technology will ensure clients get a better, more personal service – for example they will now be able to exclude assets or make substitutions – and there is no minimum investment level.

In 2019 we also launched the Drawdown price lock – the first of its kind in the UK. Advisers using our Wrap platform can now "lock" their customers' price at the lowest level when they have the

most assets. Most platforms have traditionally operated a model designed to reward savers where fees fall as the customer's pot increases. Unfortunately, this means as people start to use their savings to fund their retirement, that percentage goes back up as money is withdrawn creating an increasing drag as their pot declines. The changes we have introduced mean that advisers using Wrap will be able to offer a better experience for their customers by delivering a sustainable fee structure that addresses the cost challenge facing those approaching and entering retirement. At the same time we reduced and simplified pricing on our Wrap platform to help advisers manage better customer conversations and make a real difference to their customers.

Combined, our platforms and advice businesses help us fulfil an important social purpose - addressing the advice and savings gap, providing people with greater comfort over the financial decisions they are taking, and at a fair price.



We welcome the new UK strategy on financial wellbeing. We believe collaboration across business, government and third sector are vital in achieving its aims. That's why we are a lead supporter of Kickstart Money - a collaboration between savings and investment firms, brought together by The Investing and Saving Alliance (TISA), to promote financial education as a compulsory element of the UK National Primary School Curriculum.

KickStart Money was formed in response to ground-breaking research from the Money Advice Service, which found that adult spending habits and attitudes towards money are formed as young as seven. It is funding the provision of financial education, delivered by the charity MyBnk, to 20,000 primary school children over three years. During year two of the programme, there was an independent assessment of over 3,000 pupils who were taking part. The assessment found that two out of three pupils were actively working towards a savings goal after the lessons – nearly double the national average. 77% were now also able to delay spending gratification.



As a leading provider of advice and savings solutions in the UK, we want to play our part in closing the savings gap. All the actions we're taking – working with others to support effective financial education in primary schools; developing products and solutions that make saving easier; or helping people access trusted, financial advice – are intended to help more people achieve security and confidence for their future financial wellbeing.

Noel Butwell,
CEO Standard Life

SDG8 and SDG17 case studies



Collaborating with Big Issue Invest – the social investment arm of the Big Issue Group

Working with Big Issue Invest (BII), and other partners, we focus on initiatives which support financial inclusion as well as the growth of social enterprises and businesses which help address societal and environmental issues. Together, with our collective funding, experience and insight, we can create an even greater positive impact.

Impact investing

Saving in a way that does good for people and the planet is one of the most effective ways we can all invest in a better future.

In 2018 we launched the UK Equity Impact – Employment opportunities fund with BII – an innovative solution for investors pursuing both societal and financial benefits. The objective of the fund is to support decent job creation in the UK through investing in companies which promote and implement good employment opportunities and practices. We believe investment in skills and attracting talent is the basis for competitiveness, productivity and growth.

In 2019 we launched our first annual UK impact report:



80% of the Fund's companies **pay above the national average wage** for their sectors



the Fund holds **twice the reference benchmark's level of exposure to companies that create employment opportunities** in areas with high employment deprivation



70% of the Fund's companies exhibited **positive job creation** over the last year, with a median growth rate of **5.1% versus 3.1% growth for companies in FTSE 350**

We are a joint lead partner and founder of the Big Exchange, launched by BII. It connects individuals to investments that aim to create good financial returns as well as have a positive effect on people and the planet.

Launching in 2020, the new platform will bring low cost, impact investment funds directly to customers via a simple, mobile first interface. Individuals will be able to track their investments and impact via a unique social passport.

The Big Exchange aims to start a movement that will transform the lives of millions of people by building a fairer financial system that works for everyone.



We are proud to found and partner on this amazing platform. We believe this will be transformative – both for the individual saver and for broader society. We want to make it easy to do good with money.

**Campbell Fleming,
Global Head of Distribution**



The Big Issue provides the means and opportunity for homeless and vulnerably housed people to earn a living through working. The Fund extends this core belief by creating job opportunities and ensuring good employment practices, both of which are vital poverty prevention tools. It also enables BII to expand its work by directly investing in more social enterprises that seek to dismantle poverty. We feel a huge sense of pride in what this partnership has already achieved – and there's more to come.

Nigel Kershaw, Chair,
The Big Issue Group

Championing social change

We proactively work with organisations and policymakers to help shape the policies which impact on us and our stakeholders.

Living Hours

We are one of the first four companies in the UK accrediting as a Living Hours employer.

In the UK, one in six workers – over five million people - are in low pay and insecure work, two million of whom are parents. They can often face cancelled shifts, have inconsistent hours each week or be on short-term contracts, making it difficult to plan ahead or meet costs. In response, the Living Wage Foundation has launched Living Hours, a major new programme to tackle the widespread insecurity over hours and provide workers with real control over their lives.

The scheme asks organisations to pay the real Living Wage and also commit to provide workers with at least four weeks' notice of shifts, a contract that accurately reflects hours worked, and a contract with a guaranteed minimum of 16 hours a week, unless the worker requests otherwise. Organisations that agree to these measures are accredited as Living Hours employers alongside their Living Wage accreditation.

We want to use our leadership role to raise awareness and drive change on this key social issue in the UK and continue to drive progress in fair and inclusive work that enables people to plan for a better future. We believe that businesses that can provide certainty and control to their workers are more sustainable and will reap the benefits of their workers being able to perform at their best.

Recognition for our approach

We won the 2019 National Responsible Business Champion Award as selected by the UK All-Party Parliamentary Corporate Responsibility Group (APCRG), chaired by Jonathan Djanogly MP and Baroness Greengross. When awarding us, the Parliamentarians highlighted responsible practices across our company, specifically our focus on inclusive employment and fair working practices, as well as our successful partnerships with charities.

Helping social enterprises flourish

Launched by BII in 2018, Power Up Scotland develops early stage social businesses through investment, business support and cross-sector partnerships. We support and fund the programme in conjunction with Edinburgh University and the Scottish Government.

Power Up has made £900,000 available to lend over two years, enabling organisations to build on the good work they currently do within their communities. Successful applicants also receive mentoring and business development support.

Our people have provided 2,600 hours of mentoring support to date.

In 2019, year two of the project was launched and a number of social enterprises were successful in applying to be part of the scheme, including:

Scran Academy

This catering social enterprise is aiming to improve the lives of disadvantaged young people, aged 14-19, across North Edinburgh. They create referral opportunities from routes such as school exclusion teams, social work departments or local community partners. Scran Academy offer the young people a range of skills programmes, supported by youth workers, trained mentors and chefs, that help the young people empower themselves to run a real-life social business, and ultimately access the confidence, qualifications and skills they need to thrive in adult life.



Caledonia Cremations

As Scotland's only not-for-profit funeral directors, they aim to tackle funeral poverty through providing simple and dignified affordable cremations. They also offer bereavement counselling and advice. Any profits made are reinvested into helping people in Scotland's poorest communities who struggle to cope with bereavement.



Our charitable giving



A review of our impact

During 2019 we have reviewed the social and environmental impact of our charitable giving, following corporate changes. As well as the data we have from measurement and benchmarking of past community investment programmes and philanthropy, we've conducted a series of stakeholder interviews and analysed the external landscape. This has identified a number of consistent themes and some exciting opportunities. For example, some of our key charity partnerships, such as Career Ready and the Prince's Trust in the UK, Karen Hilltribes Trust in Thailand, and AbleChildAfrica highlighted the significant value they get from our strategic support and in-kind expertise. We can learn from this insight and further increase the positive impact we have. There is also a clear demand from our people and the wider public for us to do more to respond to climate and ecological breakdown. You can expect to see our new social and environmental impact strategy being launched in 2020.

Tamsin Balfour,
Chair SLA Charitable Foundation



Career Ready – UK

Since 2013 we've partnered with Career Ready, a charity that connects employers and schools to help young people who may need extra help to get ready for employment and kickstart rewarding careers. The students are mentored through their final years of school and provided with internships, helping them at the point in their life when they are making big choices about their future.

We've provided 126 employee mentors and 128 internships paid at the UK Living Wage to students across the UK. Through funding and in-kind support we've enabled third sector organisations to provide paid internships to benefit social mobility and diversity in the charity sector.

As well as mentoring, our people have volunteered to deliver masterclasses and host workplace visits across over 35 schools and colleges in London and sat on various Local Advisory Boards in both Scotland and England.

We've also supported the development of Career Ready through funding roles at the charity, and providing office space and resources.



AbleChildAfrica - Tanzania

In 2017 we began a three-year partnership with AbleChildAfrica, a charity that works with local partners to protect, educate and empower children with disabilities so that they are included in the education system and able to fulfil their future potential.

Our funding supports their local partner Child Support Tanzania (CST) – enabling both the construction of a disability-inclusive school in Mbeya, Tanzania, and the upskilling of CST's senior management team to support their transition from a smaller educational centre to a larger purpose-built school.

So far, CST has supported over 280 children with disabilities to gain access to an inclusive education, trained 301 local teachers in inclusive teaching practices and educated over 300 community members, including parents and government officials, on child and disability rights.

Through our support, CST is now recognised as a leader in the field of inclusive education, and is helping to develop the government's new National Strategy for Inclusive Education.



What happened in 2019

In 2019, we provided £3.4m in charitable giving, benefitting over 39,000 people. Our colleagues volunteered almost 18,000 hours in their local communities and overseas.

Here's a snapshot of some of our activity, addressing poverty and wellbeing, across the globe:



UK

We launched our two-year partnership with Dementia UK. Our people have fundraised £160,000 so far.

We began supporting breakfast clubs in Edinburgh. Poverty can limit access to nutritious food, which in turn affects children's health and wellbeing and their ability to learn and develop. We've worked with City of Edinburgh Council to identify schools which would benefit most. We have agreed a three year partnership with two which will provide funding for them to improve and expand their current Breakfast Club offering. We're also supporting the Council's Discover! programme, which aims to reduce food stress during school holidays, and provide fun learning activities for children.



Emerging markets

We started our three-year partnership with Hope for Children supporting their Achieving WASH for Rights to Education (AWARE) project. This aims to increase retention in schools and decrease absenteeism, especially in girls, through improved access to WASH (water and sanitation hygiene) and behaviours. AWARE targets Jangaon, a remote rural region in Telangana and one of India's most educationally and socially deprived districts. Year one has resulted in 16 schools having functional toilet facilities onsite, with a further 26 planned during years two and three of the project. A further aim is to train teaching staff and parents on the importance of good hygiene and hand washing techniques to establish healthy habits. In the first six months of the project, 240 parents or caregivers attended a session. For the children supported, staying in education and having improved health outcomes means they can look to the future with confidence.



Americas

We have been a supporter of the charity MANNA since 2013, and have pledged a further four-year partnership this year. MANNA brings together dietitians, chefs, drivers, and thousands of volunteers to cook and deliver nutritious, medically appropriate meals and provide nutrition counselling to people battling life-threatening illnesses. This commitment allows us to continue supporting the famous 'Aberdeen Standard Apple Pie' during MANNA's largest annual fundraiser - the Pie in the Sky campaign. During the 2019 campaign over 10,500 pies were sold which raised over \$300k.



Appendix

Data and accreditations

Social

Measure	Unit	2019	2018	Definition
Number of employees	number	6,213	6,192	Total global number of employees ¹
Personnel by region	UK	4,846	-	Total number of employees ¹
	EMEA (non UK)	366	-	Total number of employees ¹
	Asia Pacific	620	-	Total number of employees ¹
	Americas	381	-	Total number of employees ¹
Employee training cost	£m	5.5	6.9	External spend on employee training
Employee training hours	hours	23.4	22.3	Average number of hours employees participated in training
Employees in pension scheme	%	93	95	Percentage of employees in the company pension scheme, data covers FTE in the UK which accounts for 78% of our workforce
Employee share ownership	%	59	57	Percentage of employees on our payroll who are contributing to one of our employee share options
Employee turnover	%	16	12	Number of employees that left the company within the past year as a percentage of the total number of employees
Voluntary turnover	%	10	7	Number of employees that left the company voluntarily within the past year as a percentage of the total number of employees
Involuntary turnover	%	6	6	Number of employees that left the company involuntarily within the past year as a percentage of the total number of employees
Contractor FTE versus employee FTE	%	13	14	Number of contractors as a percentage of total number of employees
Community spending	£m	3.4	3.2	Total contribution including cash, time, in-kind giving, pro bono contribution of service and management costs
Paid volunteer time	hours	17,921	15,118	Total number of hours employees have logged as paid volunteer time
Employees represented by a staff association, representative or union	%	83	79	The number of employees that belong to staff associations, have staff representatives or unions as a percentage of the total number of employees
Employee average age	years	40	41	Average age of employees
Women in workforce	%	46	45	Women employed at the company as a percentage of the total number of employees
Women in executive population	%	36	34	Women employed at the company one and two reporting levels below the CEO as a percentage of the total number of employees. Administration assistants are excluded
Women on board	%	45	25	Percentage of women on the Board of Directors
Minorities in our workforce	%	10	11	UK employees that do not identify as white British, white Irish, or white - other European/any other white background
Disabled people in our workforce	%	-	5	UK employees who identify as disabled. Due to changes in our approach to measurement and definition, we cannot provide for 2019
Full time to part time FTE	%	92	90	Percentage of employees who are full time
Part time female/male	%	88	90	Percentage of part time workforce that is female
Workforce accidents - employees	number	26	39	Number of accidents at the company resulting in harm to employees (This number includes accidents resulting in harm to transferred employees for the 8 months prior to the sale on 31 August 2018)
Fatalities	number	0	0	Number of contractor and employee fatalities

Note: All data is as at 31 December unless otherwise stated.
¹ As of 7 January 2020 due to HR system migration

Environment

Measure	Unit	2019	2018	Definition
Scope 1	tCO2e	1,784	2,667	Scope 1 GHG emissions from natural gas, fluorinated gases (f-Gas), fleet and diesel
Scope 2 - Location based	tCO2e	4,807	7,069	Scope 2 GHG emissions from purchased electricity
Scope 2 - Market based	tCO2e	2,147	4,376	Scope 2 GHG emissions from purchased electricity
Scope 3 - Location based	tCO2e	12,951	22,482	Scope 3 indirect GHG emissions from business air travel, electricity transmission and distribution losses, and electricity consumption by a third party data centre
Scope 3 - Market based	tCO2e	12,870	22,107	Scope 3 indirect GHG emissions from business air travel, electricity transmission and distribution losses, and electricity consumption by a third party data centre
Business flights	pkm	40,841,988	62,234,386	Passenger km travelled on business flights through our travel providers
Business rail	pkm	3,323,620.8	-	Passenger km travelled on business rail journeys through our travel providers
Road	pkm	2,104,480	2,965,326	Passenger km travelled by car for business and claimed through expenses
Total business Travel	pkm	46,270,089	-	Passenger km travelled on business rail journeys through our travel providers
Total GHG emissions per FTE (location based)	tCO2e/FTE	3.1	5.2	Total GHG emissions per FTE for the continuing business
Total GHG emission (Scope 1 and 2 only) per £m of total income	tCO2e/£m	1.65	4.60	Gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue
Total energy consumption	MWh	23,529	35,017	Total energy consumption
Electricity used	MWh	16,655	23,440	Total electricity consumption
Natural gas used	MWh	6,393	10,109	Total natural gas consumption
District Heating	MWh	454	1,468	Total MWh consumed via district heating
Stationary diesel	MWh	27	92	Total MWh consumed via stationary diesel
Electricity used under a green/renewable tariff	MWh	11,321	15,856	Total renewable electricity
Procured electricity under a green tariff	%	99	98	Percentage of procured electricity under a green tariff
Weighted average carbon intensity				
Equities	AsiaPac	tCO2e /US\$	377	weighted average carbon intensity as of January 2020 tCO2e /US\$
	Global Emerging Markets	tCO2e /US\$	325	weighted average carbon intensity as of January 2020 tCO2e /US\$
	Global Equities	tCO2e /US\$	175	weighted average carbon intensity as of January 2020 tCO2e /US\$
	Europe	tCO2e /US\$	153	weighted average carbon intensity as of January 2020 tCO2e /US\$
	US	tCO2e /US\$	152	weighted average carbon intensity as of January 2020 tCO2e /US\$
	UK	tCO2e /US\$	104	weighted average carbon intensity as of January 2020 tCO2e /US\$
	Japan	tCO2e /US\$	60	weighted average carbon intensity as of January 2020 tCO2e /US\$
	Small Cap	tCO2e /US\$	37	weighted average carbon intensity as of January 2020 tCO2e /US\$
Fixed income	EM Credit	tCO2e /US\$	869	weighted average carbon intensity as of January 2020 tCO2e /US\$
	US HY	tCO2e /US\$	361	weighted average carbon intensity as of January 2020 tCO2e /US\$
	Global IG	tCO2e /US\$	270	weighted average carbon intensity as of January 2020 tCO2e /US\$
	US IG	tCO2e /US\$	232	weighted average carbon intensity as of January 2020 tCO2e /US\$
	Euro IG	tCO2e /US\$	193	weighted average carbon intensity as of January 2020 tCO2e /US\$
	Euro HY	tCO2e /US\$	181	weighted average carbon intensity as of January 2020 tCO2e /US\$
	Sterling IG	tCO2e /US\$	161	weighted average carbon intensity as of January 2020 tCO2e /US\$

Governance

Measure	Unit	2019	2018	Definition
Bribery and corruption breaches	number	0	0	Number of bribery and corruption breaches
Whistleblowing calls	number	5	15	Whistleblowing notifications which resulted in investigation
Compliance with code of conduct	%	100	95	Percentage of employees who have completed training and agreed to comply with code of conduct
AUM in sustainable investment funds	£bn	17	15	Assets under management in funds, based on our own classification that constitute Sustainable Investment funds and interpretation of universal guidance on the various categorisations of approaches as of June 2019



Bureau Veritas have provided limited assurance on KPIs marked in this report with this symbol.



Read Bureau Veritas' full assurance statement

Ratings and recognitions

Measure	Unit	2019	2018	Definition
DJSI (Robecosam) Score	%	97	96	Percentile ranking for our sector on our management of material ESG issues
FTSE4Good score	%	97	100	Percentile ranking for our sector on our management of material ESG issues
CDP	Score	C	C	Score based on our environmental performance
MSCI	ESG rating	A	A	MSCI ESG Ratings aim to measure a company's resilience to long-term, financially relevant ESG risks
GRESB Real Estate, Debt and Infrastructure	Number of green stars	33	26	GRESB Real Estate assessment measures fund ESG performance, awarding green stars for reaching an absolute level of performance
Principles for Responsible Investment (PRI) Assessment Report	Score	-	A+	PRI strategy rating for Aberdeen Standard Investments. Rating for 2019 will not be available until April 2020
Hampton-Alexander Review	Rank / 100	10	92	Ranks all FTSE 350 companies on the gender representation of their Boards and Executive teams
Bloomberg Gender-Equality Index	Included (Yes/No)	Yes	Yes	Recognises our progress and transparency on gender equality at all levels of the business
Social Mobility Employer Index	Rank	21	29	Ranks the UK's employers doing the most to change the way they find, recruit and progress employees from different social class backgrounds

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