

Implementation Statement for the year to 30 June 2025
The Velux Co. Ltd Retirement Benefits Scheme ('the Scheme')

Introduction

This statement describes the voting and engagement policies of the Trustee of the Scheme ('the Trustee') along with a summary of voting and engagement behaviour related to the Scheme's investments over the 12-month period to 30 June 2025.

The regulatory landscape continues to evolve as ESG becomes increasingly important to regulators. The Department for Work and Pensions ('DWP') has increased the focus around ESG policies and stewardship activities by issuing further regulatory guidance relating to voting and engagement policies and activities. These regulatory changes recognise the importance of managing ESG factors as part of a Trustee's fiduciary duty.

This Implementation Statement is to provide evidence that the Trustee continues to follow and act on the principles outlined in the Statement of Investment Principles ('the SIP').

The Trustee has reviewed the SIP over the reporting period, and no changes have been made.

The Implementation Statement details:

- Actions the Trustee has taken to manage financially material risks and implement the key policies in its SIP.
- The current policy and approach with regards to ESG and the actions taken with managers on managing ESG risks.
- The extent to which the Trustee has followed policies on engagement covering engagement actions with its fund managers and in turn the engagement activity of the fund managers with the companies in the investment mandates.
- Note the focus on engagement is due to there being no assets with voting rights (e.g. equities) within the portfolio over the period. All assets invested in were fixed income, credit, or derivative based over the period.

Summary of key actions undertaken over the Scheme reporting year

- There were no changes to the Scheme's overall investment strategy or expected return over the 12-month period to 30 June 2025.
- The Trustee monitors the investment strategy on an ongoing basis and remains comfortable with the asset allocation as of 30 June 2025. The portfolio has been largely de-risked with a focus on a relatively stable position, hence there being no significant change over the period.
- The investment consultant reviews the investment managers on an ongoing basis and will communicate any concerns to the Trustee.
- The Trustee reviews the investment consultant on an annual basis.

Implementation Statement

This statement demonstrates that the Trustee has adhered to its investment principles and its policies for managing financially material considerations including ESG factors and climate change.

Managing risks

The Scheme is exposed to several risks due to the nature of its obligations and the investments it makes to meet the liabilities as they fall due. A non-exhaustive list of these risks, the Trustee's policy for managing risk, and actions taken are outlined below.

Risk	Definition	Policy	Actions
Investment	The risk that the Scheme's position deteriorates due to the assets underperforming.	To select an achievable investment objective and invest in a diversified portfolio of assets.	The Scheme has an achievable expected return and aims to achieve this by investing across a range of asset classes.
Solvency and Employer Covenant	The risk that the assets fall short of the amount required to pay all benefits and expenses as they fall due and that insufficient assets are recoverable from the Employer to meet the shortfall.	The Trustee to consider the covenant strength ensuring the Scheme is exposed to an appropriate level of risk for the covenant to support.	The covenant strength is discussed when reviewing and refreshing the Scheme's investment strategy.
Interest rates	The risk of mismatch between the value of the Scheme assets and present value of liabilities from changes in interest rates.	The Trustee aims to hedge this risk both directly and indirectly where appropriate and affordable.	Over the reporting period, the Scheme had allocations towards LDI funds, which aim to broadly hedge 100% of the Scheme's interest rate risk, noting the relevant limitations.
Inflation	The risk of mismatch between the value of the Scheme assets and present value of liabilities from changes in inflation.	The Trustee aims to hedge this risk both directly and indirectly where appropriate and affordable.	Over the reporting period, the Scheme had allocations towards LDI funds, which aim to broadly hedge 100% of the Scheme's inflation risk, noting the relevant limitations.
Realisation of Investments / Illiquidity	The risk of having to make a large realisation of assets at depressed prices.	The majority of the Scheme's investments will be liquid and will be realisable for cash at relatively short notice without incurring high costs. However, the Trustee recognises that the liabilities are long-term in nature and that less liquid investments can have a place in the portfolio if they are considered to be sufficiently attractive (note illiquid funds are not currently used).	The Scheme's assets are traded on at least a weekly frequency, providing sufficient liquidity.
Market	Experiencing losses due to factors that affect the overall performance of the financial markets.	To remain appropriately diversified and hedge away any unrewarded risks, where practicable.	The Scheme invests in a range of pooled funds which comprise of underlying holdings across several asset classes.

			The Trustee is satisfied that the Scheme's exposure to market risk is reasonably reduced through asset diversification which avoids excessive reliance on a single asset class or region and, in particular, reduces the impact of a large fall in equity markets.
Credit	Default on payments due as part of a financial security contract.	The Trustee, in conjunction with its investment adviser, carries out due diligence checks on the funds and investment managers used and, on an ongoing basis, monitors any changes to the regulatory and operating environment. In addition, Mobius conducts ongoing due diligence on all funds offered on its platform which includes assessment of the risks associated with external investment managers.	<p>The Scheme invests in pooled credit funds which invest across a variety of geographies and sectors, diversifying the underlying credit risk.</p> <p>The investment managers aim to reduce credit risk through their underwriting and due-diligence processes.</p> <p>Credit risk is also mitigated by the legal structure of the pooled funds held and by regulatory oversight.</p>
Investment Manager Risk	The risk that an investment manager does not deliver returns in line with expectations.	The Trustee takes independent advice on the selection of funds and the ongoing suitability of the chosen investment managers is regularly monitored.	The assessment of ongoing suitability includes consideration of qualitative factors in addition to analysis of the managers' performance.
Environmental, Social and Governance	Exposure to environmental, social and governance factors, including but not limited to climate change, which can impact the performance of Scheme investments.	<p>To appoint managers who satisfy the following criteria, unless there is a good reason why the manager does not satisfy each criteria:</p> <ol style="list-style-type: none"> 1. Has a Responsible Investment ('RI') Policy / Framework 2. Implemented via the investment process 3. A track record of using engagement and any voting rights to manage ESG factors 4. UN PRI Signatory 	The Trustee with support from an independent adviser has considered the likely impact of the financially material ESG risks associated with the Scheme's investments and has assessed the mitigation of such risks implemented by each of the investment managers.

Currency	The potential for adverse currency movements to have an impact on the Scheme's investments.	When selecting a pooled investment vehicle, the Trustee considers the exposure to overseas markets and the investment managers' currency hedging approach.	The Scheme invests in GBP denominated share classes where possible. Where the Scheme invests in overseas markets, the currency exposure is hedged back to sterling where possible.
Non-financial	Any factor that is not expected to have a financial impact on the Scheme's investments.	Non-financial matters are not taken into account in the selection, retention or realisation of investments.	The Trustee will review this where required.

Engagement and Voting

Please see the attached document from Mobius Life for details on engagement and voting actions including a summary of the activity over the 12 months ending 30 June 2025. The platform provider also provided examples of any significant votes where possible.

The Velux Co Ltd Retirement Benefits Scheme - IS0008347

ESG REPORT – 30-June-2025



Scheme: The Velux Co Ltd Retirement Benefits Scheme - IS0008347

Statement Date: 30-Jun-2025

Fund	Value (£)	% Holding
L&G Life YAAF Absolute Return Bond Fund	7,329,467.75	41.25%
CT LDI Nominal Dynamic LDI Fund	2,195,696.51	12.36%
CT LDI Real Dynamic LDI Fund	4,803,419.41	27.04%
M&G Total Return Credit Investment Fund	3,437,924.38	19.35%

Fund	Fund Manager ESG Credentials	Fund ESG Credentials	
	Data Provided by FM as at	% Qs answered	Data Provided by FM as at
M&G Total Return Credit Investment Fund	30/06/2025	95	30/06/2025
CT LDI Nominal Dynamic LDI Fund	31/12/2024	95	31/12/2024
L&G Life YAAF Absolute Return Bond Fund	30/06/2025	95	30/06/2025
CT LDI Real Dynamic LDI Fund	31/12/2024	95	31/12/2024

Disclaimer:

This report has been designed by Mobius Life to support Pension Schemes. Mobius Life understand the information produced in this report may be used as an input for an implementation statement but is not responsible for producing the implementation statement. When compiling this report, Mobius Life has shared all the information provided by the external fund manager. Where a response field is blank this means the question is not applicable or a response was not provided by the fund manager.

Mobius Life accepts no responsibility or liability for the accuracy or content of the data provided by the external fund managers.

Fund Manager Business Response

Questions	M&G Investments		
<p>Do you have an ESG policy that is integrated into the investment process?</p>	<p>Yes</p> <p>We are unable to attach the policy in above question so please find it upon requested. Alternatively, this policy is published on M&G's website and can be accessed via this link: https://www.mandg.com/-/media/Files/M/MandG-Plc/documents/mandg-investments/2024/m-and-g-investments-esg-integration-and-sustainable-investing-policy.pdf</p> <p>Our policy document sets out the Environmental, Social and Governance (ESG) investment policy relating to M&G Group Limited ('M&G') investment and asset management businesses and activities ('M&G Investments') excluding M&G Investments Southern Africa (MGSA) and ResponsAbility. The assets in scope are all the assets directly managed by M&G Investments on behalf of its clients, including the internal asset owner, whether or not they are held within funds with a specific ESG objective or promoting ESG characteristics.</p>	<p>Are Senior Management accountable for ESG or Climate Change risks?</p>	<p>Yes</p> <p>The Board is ultimately responsible for setting M&G's sustainability strategy and ESG values and principles. The Board delegates specific duties to sub-committees as follows: Reporting in the Annual Report and Accounts and any other material public documents in respect of climate change and ESG matters (for compliance with relevant regulations, legislation and standards) is included in the Audit Committee's terms of reference, available on our website. Assessment of ESG risk within the Group Risk Management Framework, including climate-related stress and scenario testing, the reporting of climate-related risk disclosures and provision of advice to the Board in setting M&G's ESG strategy, is included in the Risk Committee's terms of reference, available on our website. Responsibility for sustainability at an individual level is assigned to our Chief Financial Officer, who has previous experience in climate stress testing and sustainable impact investing.</p>
<p>Do you have a firm ESG rating?</p>	<p>MSCI ESG Score: AA</p>	<p>Do you have a dedicated team that considers ESG and Climate Change related factors?</p>	<p>Yes</p> <p>The central ESG team at M&G Investments is the Stewardship & Sustainability (S&S) team, which currently comprises of about 32 M&G employees. The team was restructured under new leadership in last year. Additionally, there are numerous ESG specialists across the floor, embedded in investment teams. At M&G we believe that ESG integration should occur in all parts of our investment business and to reflect this everyone has an objective to this end. We look to continuously monitor S&S team resourcing levels to ensure the best quality of service is provided to clients. M&G will also ensure and make it the responsibility of all team members to keep up to date with the rapidly changing landscape of ESG to leverage resources effectively. The S&S team works collaboratively, both directly and via the analysts, to equip managers to make better-informed decisions, knowing the full spectrum of ESG risks that could impact their portfolios, as well as where these risks may be concentrated within certain issuers or holdings. By working in conjunction with the credit and equity analysts on ESG, the S&S team is able to ensure that ESG risks and opportunities are considered throughout the full investment process, as well as in the monitoring of companies.</p>
<p>Please provide your UNPRI survey scores</p>	<p>Please see M&G Investments Summary Scorecard 2023 upon requested.</p> <p>We did not do reporting in 2024 as the PRI made reporting in 2024 voluntary for most investor signatories that reported publicly in 2023. After careful consideration, M&G Investments decided to streamline our sustainability approach and focus on evolving our sustainability programs in 2024. Similarly, the PRI has informed us that full reporting for M&G Investments is not required for 2025 given we have previously met the minimum requirements for investor signatories. After careful consideration, M&G Investments has decided to undertake the minimum requirements and focus attention on further evolving our sustainability programs. Our 2023 scores remain publicly</p>	<p>Do you rely on any third parties to provide ESG and Climate Change related analysis/research?</p>	<p>Yes</p> <p>We have portal and data access with a number of ESG vendors, including MSCI, Bloomberg, ISS, Sustainabilitys and other specialist advisers. In addition, we obtain ESG data through authorised aggregators or channels, including Bloomberg, Factset, Refinitiv Eikon, Dasseti and Aladdin.</p> <p>We use data sourced from third-party data providers (eg MSCI and Bloomberg) to calculate the emissions metrics. While we perform high-level checks on the data received, we are reliant on the accuracy of the source data received from these third-party vendors.</p>

Fund Manager Business Response

Questions	M&G Investments		
	<p>available. We expect to resume reporting next year, understanding that there may be further changes to the PRI questionnaire and format at the end of this year.</p>		
<p>Do you have a Climate Change policy that is integrated into the investment process?</p>	<p>No</p> <p>Please see our climate related disclosure from page 66 onward in our 2024 Annual Report and Accounts:</p> <p>https://www.mandg.com/~media/Files/M/MandG-Plc/documents/Financial%20results/2025/mgplc-annual-report-and-accounts-2024-navigable.pdf</p> <p>At M&G, we manage climate impacts from three key perspectives: as an asset owner with long-term liabilities, an asset manager looking after both internal and external capital, and as an international business with operations across many locations. We recognise that climate change is a collective challenge, and that progress is heavily dependent on ambitious public policy. We are committed to engaging with policymakers to support the development of effective policy, and at the same time we will continue to improve our assessment of climate-related risks and opportunities using our evolving frameworks and tools.</p> <p>As a large investor in both public and private assets, our strategy is focused on positive real-world change, using the levers we have to support the climate transition and help our clients manage the risks and opportunities brought by climate change. This means taking action to align our investments so that they contribute to and thrive in a low-carbon world. From an investment perspective, we can influence decarbonisation through three key channels: – Investment strategies: Making changes to our investment portfolios – Stewardship: Engaging issuers to implement ambitious transition plans – Advocacy: Engaging with industry and policy makers. Alongside portfolio decarbonisation, we can play an important role in helping to finance and enable climate solutions, to accelerate the transition. At M&G, we consider this a structural growth opportunity we are well placed to support, both in developed and emerging markets. Our stewardship approach is based on our belief that divestment does not have a direct impact on real-world emissions reductions. Our priority as an active, long-term investor is to encourage change through engagement and voting.</p>	<p>Do you create your own ESG or Climate Change related scores</p>	<p>Yes</p> <p>In order to maintain an at scale assessment of issuers representing M&G's active management approach, M&G has advanced the existing ESG Scorecard to assess issuer's operational ESG performance. By utilising an internal scorecard incorporating proprietary views on ESG, we move from relying solely on publicly available third-party evaluations to incorporating our own internal insights across private and public issuers. The ESG Scorecard enhances the quality and consistency of ESG data assessments, thereby strengthening the robustness and quality of our investment decisions. The quant-based approach, with multiple vendor sources, allows for a daily refresh of the scorecards to ensure data and scores on over 13,000 issuers is consistently up-to-date. As a transparent methodology we can also show comparisons within and across sectors or for a given portfolio. An additional benefit, of the ESG Scorecard, is to provide full look through to all sustainability data used in the assessment by all users.</p> <p>The ESG scorecard is built upon M&G's proprietary materiality map that was created and iteratively improved by equity, fixed income, sustainability analysts on public and private sides. It is composed of 23 ESG Factors (8 Environment, 8 Social, and 7 Governance factors) which are applied based on financial materiality. Each of the ESG factors considers multiple metrics from multiple vendors to maximise the benefits of different suppliers sustainability data to optimise insights. Applying material ESG factors for each economic activity enables a more representative assessment across and within sectors.</p> <p>To describe each of the Environmental (E), Social (S), and Governance (G) factors, we have sourced the most appropriate data points from different third-party vendors. These provide a quantitative description of how well the company is doing on a particular ESG factor. Each of the material factors is part of E, S, or G pillars. The aggregation of environmental factors generates an E-score, and so forth. The combination of E, S, and G pillars generates the final overall ESG score.</p>
<p>Does your company have a policy on equality and diversity in the workplace?</p>	<p>Yes</p> <p>Diversity & Inclusion is a strategic objective. At all levels of the business we recognise the benefits of having a diverse team that feels valued and listened to. It helps us think and act</p>	<p>Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?</p>	<p>Yes</p> <p>Please see our non-financial and sustainability information disclosed from page 56 onwards in the 2024 Annual Report and Accounts:</p>

Fund Manager Business Response

Questions	M&G Investments		
	<p>differently, adopt new ideas and better relate to the needs of our customers. An inclusive environment makes us more accessible and ensures we attract, engage, promote and retain the best talent. We embrace our differences and remove barriers to inclusivity so everyone can be high performing and deliver results.</p>		<p>https://www.mandg.com/~media/Files/M/MandG-Plc/documents/Financial%20results/2025/mgplc-annual-report-and-accounts-2024-navigable.pdf</p>
<p>Do ESG related factors get considered with respect to performance management of investment companies and funds?</p>	<p>Yes</p> <p>M&G believes that ESG factors can have a material impact on long-term investment outcomes. Our goal is to achieve the best possible risk-adjusted returns for our clients, taking into account all factors that influence investment performance. Consequently, ESG issues are integrated into investment decisions wherever they have a meaningful impact on risk or return. We apply this approach to ESG analysis across all of the asset classes and sectors in which we invest. Research and investment teams have access to internal proprietary ESG thematic research, as well as relevant data from other sources. They evaluate the impact and materiality of these ESG themes within the context of the industries and companies that they cover, with assistance from the Stewardship & Sustainability team. Together, these teams deliver actionable investment research that includes ESG issues, insights and recommendations to fund managers for use within the investment decision-making and portfolio construction processes.</p>	<p>Are you signatories of the FRC UK Stewardship Code or equivalent?</p>	<p>Yes</p> <p>We publish our Annual Stewardship Report prepared under the FRC UK Stewardship Code 2020, which highlights key activities from the previous year across asset classes such as equities, fixed income, property and infrastructure. We also provide an overview of our stewardship approach, which is reviewed annually, and specifically outlines how we adhere to the code in appendix of this report.</p> <p>https://www.mandg.com/~media/Files/M/MandG-Plc/documents/mandg-investments/2025/mg-investments-annual-stewardship-report-2024.pdf</p>

Questions	Columbia Threadneedle Investments		
<p>Do you have an ESG policy that is integrated into the investment process?</p>	<p>Yes</p> <p>Yes</p>	<p>Are Senior Management accountable for ESG or Climate Change risks?</p>	<p>Yes</p> <p>Yes</p>
<p>Do you have a firm ESG rating?</p>	<p>Yes</p>	<p>Do you have a dedicated team that considers ESG and Climate Change related factors?</p>	<p>Yes</p> <p>Yes</p>
<p>Please provide your UNPRI survey scores</p>	<p>Strategy & Governance: A+ Listed Equity - Incorporation: A+ Listed Equity - Active Ownership: A+ Fixed Income - SSA: A Fixed Income - Corporate Non-Financial (New): A Fixed Income - Corporate Non-Financial: A Private Equity (New): A Property (New): B</p>	<p>Do you rely on any third parties to provide ESG and Climate Change related analysis/research?</p>	<p>Yes</p> <p>MSCI ESG: Our primary source for ESG data. MSCI ESG data and analysis is used to systematically screen client portfolios for ESG risks, identify priority companies for engagement and to inform company analysis. ISS: ISS supplies us with custom research based on our own in-house corporate governance guidelines (which are updated annually based on country-specific best practice standards). Research provided by ISS is used to inform our vote execution as well as company engagement. Broker Research: All members of the Responsible Investment team have access to broker research. The team uses this content to stay on top of market trends, identify companies for engagement and to inform company, market or topic specific research. Examples of Brokers with solid ESG offerings include Kepler Cheuvreux, Natixis, Societe Generale, HSBC and Morgan Stanley. Sustainalytics: Used for landmine and cluster munition screening. Bloomberg: Bloomberg terminals are used to perform qualitative as well as quantitative analysis on a multitude of topics. In particular, Bloomberg has proven</p>

Fund Manager Business Response

Questions	Columbia Threadneedle Investments		
			<p>useful for linking ESG with financial data to determine the materiality of particular ESG issues.</p> <p>Non-Governmental Organisations(NGO`s): Examples include Transparency International (anti-corruption), Oxfam, CERES and Human Rights Watch. Research provided by NGO`s is used to identify priority companies and identify priority companies for engagement.</p> <p>Other: Our research is also informed by our networks that may provide briefings and publications, including the UN PRI, International Corporate Governance Network and Asian Corporate Governance Association.</p>
Do you have a Climate Change policy that is integrated into the investment process?	Yes Yes	Do you create your own ESG or Climate Change related scores	Yes Yes
Does your company have a policy on equality and diversity in the workplace?	Yes Yes	Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?	Yes Yes - Quarterly and annually
Do ESG related factors get considered with respect to performance management of investment companies and funds?	Yes	Are you signatories of the FRC UK Stewardship Code or equivalent?	Yes Yes

Questions	Legal and General (LGIM)		
Do you have an ESG policy that is integrated into the investment process?	<p>Yes</p> <p>Our policies are implemented consistently at a firm-wide level. LGIM's purpose is to create a better future through responsible investing. Aligned to this purpose, ESG is a central underpinning to all of LGIM's activities and especially within strategic initiatives. LGIM has developed and publicly disclosed its policies for stewardship activities. Our policies are reviewed annually and updated where necessary to ensure they remain aligned with the various evolving regulations, best practice and client feedback.</p>	Are Senior Management accountable for ESG or Climate Change risks?	<p>Yes</p> <p>We have many people across the business contributing to our ESG insights and research. They sit across various teams with different levels of responsibility relating to ESG but all feed into our responsible investing capabilities. As at the end of June 2022, there are a total of 47 LGIM employees with roles dedicated to ESG, some of which are outlined in more detail below. • There are 20 people in our global Investment Stewardship team, led by Kurt Morriesen. The team is responsible for developing and carrying out LGIM's investment stewardship and responsible investment activities as well as the oversight, implementation and integration of ESG across the firm. • Nick Stansbury, Head of Climate Solutions, leads our energy transition approach and is one of our most prominent spokespeople on this topic. He leads our Climate Solutions team which has a total of four team members. • As Global Head of Responsible Investment Integration, Michael Marks' role spans all functions within LGIM from investment stewardship, distribution and investment teams to operational functions such as data and technology; embedding ESG across the firm in all areas and ensuring that focus is maintained on delivering the capabilities required by all stakeholders. • Amelia Tan has recently joined LGIM as the Head of Responsible Investing Strategy for Investments (January 2022). This role ensures that LGIM stays at the cutting edge of innovation within responsible investing and creates a coordinated approach across asset classes, which is embedded throughout our funds and portfolios. • Caroline Ramscar, Head of Sustainable Solutions, is responsible for engaging with clients on sustainability and the development of responsible investment solutions. This is a role which was created to develop LGIM's sustainable strategy. Two further colleagues are dedicated to supporting clients' journeys to adopt more responsible investing strategies. • LGIM's Real Assets team has a team of seven dedicated ESG experts working across the range of private credit and real estate strategies that we manage. As at the end of June 2022, we also have a further 62 colleagues across Investments whose roles have very substantial contribution to our responsible investing capabilities and whose objectives reflect this although their responsibilities are broader than solely ESG. Our Global Research and Engagement Groups (GREGs) bring together colleagues from across LGIM to identify the challenges and opportunities that will determine the resiliency of</p>

Fund Manager Business Response

Questions	Legal and General (LGIM)		
			sectors and the companies within them. The output from the group strengthens and streamlines the firm's engagement activities across investments and stewardship, to enable us to collectively set goals and targets at a company level with one voice, whilst supporting and guiding our investment decisions across the capital structure. As at the end of June 2022, there are over 70 participants which includes members of our investment teams primarily along with representation from Investment Stewardship, who overlap on these groups.
Do you have a firm ESG rating?	Yes LGIM has an award-winning Investment Stewardship team, with a track record of over 20 years. External validation and oversight keep us on our toes and propels us forward to keep improving. We participate in industry-wide assessments of our engagement and stewardship processes and are proud to have been nominated by industry bodies like the ICGN, ICASA and UN PRI for our: • Engagement activities disclosure • Market-wide involvement in lobbying activities • Strong implementation of ESG and corporate governance matters into our stewardship activities.	Do you have a dedicated team that considers ESG and Climate Change related factors?	Yes There are a total of 37 LGIM employees with roles dedicated to ESG. In addition, we have a further 58 colleagues whose roles have very substantial contribution to our responsible investing capabilities and whose objectives reflect this although their responsibilities are broader than solely ESG.
Please provide your UNPRI survey scores		Do you rely on any third parties to provide ESG and Climate Change related analysis/research?	Bloomberg, CDP, Diligent, HSBC, InfluenceMap, ISS, IVIS, Maplecroft, Refinitiv, RepRisk, Sustainalytics We obtain a large ESG raw data set from a wide range of data and analysis providers which can be used for voting, engagement, research, index/portfolio construction and management. We typically licence raw data from such providers, as opposed to off-the-shelf ESG scores/rating, as we believe our knowledge and expertise of investing and engaging with companies are best placed to identify material and relevant ESG factors. This quantitative data is supplemented by qualitative research from academic and NGO research as well as sell-side broker reports.
Do you have a Climate Change policy that is integrated into the investment process?	Yes We have developed proprietary ESG tools, used across different asset classes and investment strategies, which incorporate climate change metrics such as carbon emissions, fossil fuel exposure or 'green' revenues. These tools are used to support fund managers, develop new investment solutions, assist the investment stewardship team in its engagements with companies, and help clients understand more about the climate risks and opportunities in their portfolios. LGIM has developed a bespoke climate solutions framework, Destination@Risk, which allows us to quantify the implications of different climate change scenarios across the global economy, key sectors, and individual securities, including a forward-looking assessment of 'temperature alignment'. The outputs of the framework are used to inform our climate-related engagements, to support our investment process, and to develop climate reporting for clients.	Do you create your own ESG or Climate Change related scores	Yes We have developed a rules-based methodology by which to score companies against ESG metrics; this generates the LGIM ESG Score. The LGIM ESG Score aligns with how we engage with, and vote on, the companies in which we invest. To facilitate this process, we publish the scores and explain the metrics on which they are based. In addition, the ESG score is used by our index teams in the creation of ESG aligned index-products. We have identified 30 ESG indicators based on our expertise and experience in corporate reporting, corporate disclosures and transparency. We developed the scores with the aim of improving market standards globally, while monitoring ESG developments across our entire investment universe. The scores help drive our engagement process and are aligned with LGIM's voting policy and principles – we are more likely to vote against companies with poor scores at their annual general meetings (AGMs).
Does your company have a policy on equality and diversity in the workplace?	Yes LGIM is an award winning company, we are committed to delivering the right products and solutions to our clients and we believe the key to our success is our people. Steered by the Executive team, diversity and inclusion is embedded in our culture from the way we recruit, develop and connect with employees, to how we steward responsible investing through ESG. To show our commitment to making diversity and inclusion part of everything we do, the role of Head of Inclusion & Culture was created in 2018. Colette Comerford was appointed to the role with responsibility for driving the	Do you provide any reporting publicly or to clients with regard to ESG and Climate Change related issues? How often?	Yes Quarterly

Fund Manager Business Response

Questions	Legal and General (LGIM)		
	<p>evolution and continuous improvement of LGIM's culture, diversity and inclusion objectives, working closely with the executive team, our Senior HR team, LEGIT (Legal & General Inclusion team) and L&G's Group Diversity and Inclusion team.</p>		
<p>Do ESG related factors get considered with respect to performance management of investment companies and funds?</p>	<p>Yes</p> <p>ESG factors are embedded into our evaluation of investment opportunities across many investment strategies to identify unrewarded risk, and protect and enhance the long-term value of all our clients' investments. Our investment framework is designed with several objectives in mind: • Encouraging companies to improve their behaviour, and the quality of their ESG disclosures, we can raise the standards of entire markets, and help generate sustainable, long-term returns for our clients • Assessing a company's ESG risks: we see unmanaged ESG factors, meanwhile, as posing potential risks and opportunities, which can have a material impact on the performance of investments • Identifying the winners of the future, the companies to which investors will allocate ever-larger amounts of capital.</p>	<p>Are you signatories of the FRC UK Stewardship Code or equivalent?</p>	<p>Yes</p> <p>LGIM has been a signatory to the UK Stewardship Code every year since its inception and we provide copies of our responses on our website.</p>

Fund Manager Product Response

Activity	M&G Total Return Credit Investment Fund		
Do you undertake Engagements for this fund?	Yes		
How many engagements have you had with companies in the past 12 months?	25	How many engagements were made regarding environmental topics?	19
How many engagements were made regarding social topics?	5	How many engagements were made regarding governance topics?	1
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • Sending standardised letters to companies • Sending bespoke letters to companies • Standard period engagement with companies • Active private engagement on specific issues • Active public engagement on specific issues 	Sending bespoke letters to companies, Active private engagement on specific issues, Standard period engagement with companies	How many engagements were made regarding other issues?	0
Please discuss some of the key engagements and outcomes from the last 12 months.	<p>Engagement with TESCO CORPORATE TREASURY SERVICES PLC Topic: Social - Modern Slavery Objective: To encourage British multinational food retailer Tesco to provide an update on their approach to managing modern slavery risk in their supply chain and to provide an update on the Bovaer methane inhibitor trial. Action: Annual follow up call with Head of ESG - Investor Engagement as part of the ongoing dialogue with the company Result: The company was flagged by M&G's screening process as a candidate for engagement on modern slavery, not because we identified instances of malfeasance, but because the company operates in a high risk sector. We explained that, as investors, we encourage the company to demonstrate that it understands and manages its modern slavery risks and impacts through improved disclosures and practices. The company confirmed that it is committed to taking a leading role in tackling modern slavery in its own operations and supply chains and that Modern Slavery is one of the four key areas of focus in its Human Rights strategy. The company began a review of its modern slavery strategy in 2020, engaging a number of stakeholders including representatives from the Ethical Trading Initiative (ETI), the Office of the Independent Anti-Slavery Commissioner, the Consumer Goods Forum (CGF) and key suppliers. The company stated that the outcome of the review is a stronger approach that considers the longer-term impacts of the COVID-19 pandemic and labour market changes linked to Brexit on workers in its own operations and supply chains. The company reports progress against its strategy in its annual Modern Slavery Statement including sharing examples of where it has identified issues and the steps taken to address these. The company is very mindful of risks in its UK based operations in addition to its global operations. The company monitors the working hours of agency workers and works closely with agency providers to ensure they provide training on how to detect modern slavery. It also makes sure that its helplines are visible and promoted in their distribution centres. Following a review of</p>		

Fund Manager Product Response

Activity	M&G Total Return Credit Investment Fund		
	public disclosures and having spoken with the company M&G is pleased with the quality of the reporting around human rights and the approach taken by the company.		
Do you engage in voting for this fund?	No	Please provide details on why you do not engage in voting for this fund.	This is a fixed income fund and voting is not applicable.
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes	What was the actual turnover rate over the last 12 months?	

Activity	CT LDI Funds		
Do you undertake Engagements for this fund?	Yes		
How many engagements have you had with companies in the past 12 months?	12	How many engagements were made regarding environmental topics?	9
How many engagements were made regarding social topics?	5	How many engagements were made regarding governance topics?	8
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • Sending standardised letters to companies • Sending bespoke letters to companies • Standard period engagement with companies • Active private engagement on specific issues • Active public engagement on specific issues 		How many engagements were made regarding other issues?	
Please discuss some of the key engagements and outcomes from the last 12 months.	<p>Barclays PLC Theme: Environmental stewardship. Milestone rating: 2 Stars Enhanced biodiversity risk management via comprehensive update to forestry and agricultural commodities.</p> <p>Barclays PLC Theme: Climate change. Milestone rating: 3 Stars Enhanced climate risk management via additional financed emissions targets for agriculture, commercial real estate, and aviation. First UK bank to publish a transition finance framework.</p> <p>Barclays PLC Theme: Human rights. Milestone rating: 2 Stars Updates to human rights statement based on recent saliency assessment. Also developed a work program to enhance their future human rights approach.</p> <p>HSBC Holdings PLC Theme: Climate change. Milestone rating: 3 Stars First UK bank to publish a climate transition plan aligned with HMT guidelines for banks. Set facilitated emissions reduction</p>		

Fund Manager Product Response

Activity	CT LDI Funds		
	<p>targets for oil and gas and utilities sector.</p> <p>UBS Theme: Climate change Milestone rating: 1 Star Published climate and nature report and risk statements for combined UBS and Credit Suisse entity. Updated emissions targets for real estate, fossil fuels, power generation and cement sectors to reflect combined entity. Also confirmed 70% reduction in fossil fuel financed emissions for UBS in-scope lending.</p>		
Do you engage in voting for this fund?	No	Please provide details on why you do not engage in voting for this fund.	LDI Fund
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes	What was the actual turnover rate over the last 12 months?	

Activity	L&G Life YAAF Absolute Return Bond Fund		
Do you undertake Engagements for this fund?	Yes		
How many engagements have you had with companies in the past 12 months?	323	How many engagements were made regarding environmental topics?	204
How many engagements were made regarding social topics?	85	How many engagements were made regarding governance topics?	62
Which form of engagement is most representative of the approach taken for this fund over the last 12 months: <ul style="list-style-type: none"> • Sending standardised letters to companies • Sending bespoke letters to companies • Standard period engagement with companies • Active private engagement on specific issues • Active public engagement on specific issues 		How many engagements were made regarding other issues?	
Please discuss some of the key engagements and outcomes from the last 12 months.	-		
Do you engage in voting for this fund?	No	Please provide details on why you do not engage in voting for this fund.	Fixed Income
Do you monitor the carbon emission levels or similar of the underlying companies in the fund?	Yes - the fund produces approximately 76.4 Weighted Average Carbon Emissions Scope 1 + Scope 2 (Tonnes CO2e per 1 million USD Invested) as of 30 June 2025	What was the actual turnover rate over the last 12 months?	

Important Information

Mobius Life Limited (Mobius Life) has prepared this report for professional advisers and institutional investors only. The purpose of this report is to provide information on Mobius Life's own products and services and nothing in this presentation, or any supporting material, should be regarded as a personal recommendation. This report is not intended for onward transmission.

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