Guinness Asset Management Ltd

Policy on Responsible Investment

including:

Policy on ESG Incorporation
Stewardship Policy
Policy on Active Ownership
Policy on Climate-Related Risks
Carbon Usage Policy

April 2020

Signatory of:

Supporter of:

Publicly available at www.guinnessfunds.com

Table of Contents

The Guinness Approach to Responsible Investment

Guinness Asset Management is a specialist London-based investment management company that creates low turnover, actively managed, value-oriented funds. This Policy on Responsible Investment covers the listed equity business of Guinness Asset Management which at the end of 2019 represented over 90% of the company's assets under management. It therefore currently excludes our Private Equity Funds and Multi Asset Funds.

Definition and Scope

This policy document outlines the approach of Guinness Asset Management Ltd to Responsible Investment (RI). It describes what we consider RI to be and it outlines our methodology incorporating ESG (Environmental, Social and Governance) analysis into our investment process for our funds (our ESG Incorporation). It also discusses how we engage with companies on ESG issues (our Active Ownership) and our approach to Climate-Related Risks in the portfolios that we manage. It is an extended and updated version of our ESG Policy that was initially published in 2014.

We define RI in line with the UN PRI definition, which is *a strategy and practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership*. There are several defined approaches to responsible investing, which the PRI summarises as follows:

ESG Incorporation Considering ESG issues when building a portfolio			**Active Ownership/Stewardship** Improving investee's ESG performance	
ESG issues can be incorporated into existing investment practices using a combination of three approaches: integration, screening and thematic.			Investors can encourage the companies that are already invested in to improve their ESG risk management.	
Integration	**Screening**	**Thematic**	**Engagement**	**Proxy voting**
Explicitly and systematically including ESG issues in investment analysis and decisions, to better manage risks and improve returns.	Applying filters to lists of potential investments to rule companies in or out of contention for investment, based on investor's preferences, values or ethics.	Seeking to combine attractive risk-return profiles with an intention to contribute to a specific environmental or social outcome. Includes impact investing.	Discussing ESG issues with companies to improve their handling, including disclosure, of such issues. Can be done individually, or in collaboration with other investors.	Formally expressing approval or disapproval through voting on resolutions and proposing shareholder resolutions on specific ESG issues.

Responsible Investment and our Investment Philosophy

Since inception in 2003, the investment philosophy of Guinness Asset Management has been to add value through the active management of long-only funds. Fundamental data and rigorous research have always been the cornerstones of our investment process. Considering the impact of environmental, social and governance factors has been part of our investment process and our consideration of these issues has evolved over time as more relevant data has become available. We believe that incorporation of ESG metrics enables us to consider ESG issues to enhance, rather than fundamentally alter, other aspects of our investment process.

As part of this evolution, Guinness Asset Management Limited became a signatory of the UN Principles of Responsible Investment in 2019. As a result, we commit to the following:

- We will incorporate ESG issues into investment analysis and decision-making processes.
- We will be active owners and incorporate ESG issues into our ownership policies and practices.
- We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- We will promote acceptance and implementation of the Principles within the investment industry.
- We will work together to enhance our effectiveness in implementing the Principles.
- We will each report on our activities and progress towards implementing the Principles.

Our Governance around Responsible Investment

Guinness Asset Management is a member of the Investment Association (IA) and is compliant with the UK Stewardship Code.

The ultimate responsibility for Responsible Investment is at Board level and lies with our Chief Executive Officer. Our CEO leads a team (including Investment Managers and Compliance staff) that carries out the corporate level screening, engagement and other RI activities that are detailed in this policy. The team meets at least quarterly while this RI Policy is updated annually and is publicly available.

As a boutique, long-only asset manager, the responsibility for day to day consideration of RI, ESG Incorporation and Active Ownership lies with the investment teams themselves. We do not have a separate ESG team, instead the weight of the analysis falls on the analysts and PMs who make the ultimate investment decisions. We believe that this is consistent with our investment philosophy that RI and ESG factors are an integral part of the investment process.

The Application of our RI Approach

Our philosophy and approach to responsible Investment are consistent for all the listed equity funds managed by Guinness Asset Management. The process of ESG Incorporation and Active Ownership is different for different funds according to sector, geography and asset class as a result of either product design or the availability of reliable, consistent data. For example, we are currently unable to integrate ESG data in our Asia and Emerging Market funds due to lack of good quality and reliable data.

Over time, we have built tools and have data available to allow us to understand and incorporate client's specific RI, ESG and Active Ownership requirements.

Policy on ESG Incorporation

ESG Incorporation at Guinness Asset Management includes various combinations of 1) Integration of ESG, 2) Screening and 3) Thematic approaches across various funds, depending upon region, sector, product design and data availability.

Approach 1 : Integration of ESG

The first approach to ESG Incorporation, according to the UN PRI, is the integration of ESG data. The PRI defines this as *Explicitly and systematically including ESG issues in investment analysis and decisions, to better manage risks and improve returns.*

We believe that the integration of Environmental, Social and Governance factors helps us to identify future financial and non-financial risks within our investee companies. These factors can have a 'real world' impact by potentially reducing risk and enhancing the sustainability of real economic return on capital of those companies.

Our bottom-up ESG framework has been developed in-house and is used across a number of our long only listed equity strategies. It focuses on ESG factors at a company-by-company level and begins with a quantitative review based on:

- the guidelines specified by the Global Reporting Initiative (GRI) Sustainability Reporting Standards, and
- the ESG metrics identified as material by the World Federation of Exchanges (WFE).

The GRI is an independent, international organisation that has developed a widely used sustainability reporting framework for companies to communicate their ESG performance. The WFE – a global industry group representing over 250 exchanges and central counterparties – publishes a host of reference ESG indicators for exchanges to encourage members to report on. The aim is to improve both disclosure and comparability of ethical reporting.

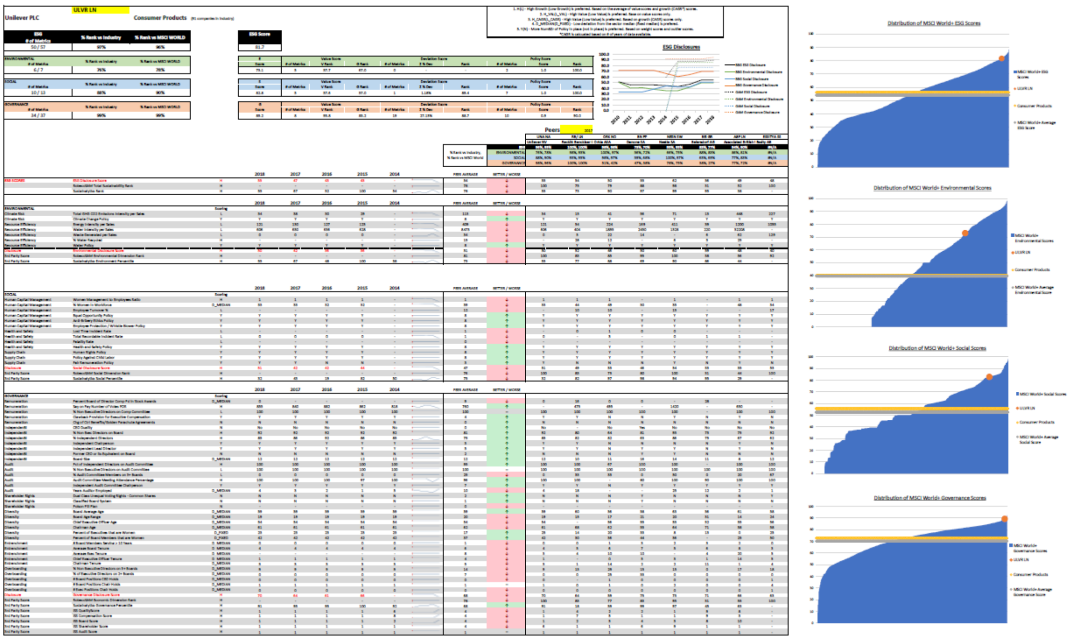
Using both sources we have developed a scorecard that is used to evaluate a company based on various sector, industry and company-specific ESG criteria. We categorise and consider some of the key factors as follows:

Environmental	Social	Governance	
Climate Risk	Human Capital Management	Remuneration	Board Diversity
Resource Efficiency	Health and Safety	Independent Board	Entrenchment
Emission Intensity	Supply Chain	Over-boarding	Audit
		Shareholder Rights	

A key component of the scorecard is 'materiality', by which certain criteria can be weighted according to their importance and likely effect on corporate performance. In practical terms, this means that each scorecard can be tailored to the ESG factors that are most relevant to the sector and industry that a company operates in and can be adjusted to allow for varying levels of disclosure across different countries and regions. We believe this is a superior way to assess the impact of ESG metrics on a company compared to using a generic, one-size-fits-all framework.

We also believe – as active managers – that building our own methodology to assess ESG factors is better than relying solely on third-party scores or using an exclusionary criterion. We use external ESG research as a starting point for our own analysis.

Example Guinness ESG scorecard



The scorecard ultimately informs us whether a company's disclosure is improving or worsening, how well the company ranks versus its peers, and how each measure compares to the company's history and its peer group. The scorecard is obviously only as good as the data which is available to us and therefore is less applicable, as an example, for our Asia and Emerging Markets funds currently.

The data used in our ESG Integration methodology comes from a wider range of third parties (including MSCI and Bloomberg) and from individual company disclosure.

Approach 2: Screening

A second approach to ESG Incorporation, according to the UN PRI, is the application of Screening. The PRI defines this as *Applying filters to lists of potential investments to rule companies in or out of contention for investment, based on investor's preferences, values or ethics.*

Annual Screening Process

Guinness adopted a corporate ESG Policy in 2014 that covered the annual screening work carried out across all its long only listed equity funds. All the companies in the funds' investment universes were screened (where data was available) and subsequently scored on the quality of ESG metrics, the extent of ESG disclosure and the momentum of both. Any poorer performing companies that were owned in Guinness funds were investigated and engaged with. We have not divested or screened out any particular companies based purely on the ESG screening work but have chosen to engage with company management teams to provide greater confidence and disclosure.

The ESG scoring system is tailored to suit different industry sectors and, in this way, each company is only evaluated relative to its peers and its industry sector. This peer relative analysis allows us to rank companies versus relevant peers and therefore does not benefit or limit one industry sector versus another. The scoring considers three key dynamics:

1. **Disclosure**; where higher levels of disclosure are favoured
2. **Performance**; where companies that have better ESG characteristics and ESG performance metrics than their peers score higher than companies with worse metrics;
3. **Improvement**; where companies that are improving their ESG performance metrics (in either absolute or relative terms versus their peers) are scored higher than non-improving or deteriorating companies.

This analysis has been carried out every year since 2014 and included in internal reports and discussions as appropriate. Over time, the ESG hurdle has increased and it resulted in us engaging with 19 companies in 2019, based on their 2018 data.

Policy on Cluster Munitions and Anti-Personnel Mines

Guinness has had an exclusionary policy on companies involved in the manufacture of cluster munitions and anti-personnel mines since 2018. There are two major international conventions that specifically address cluster munitions and landmines:

- The Convention on Cluster Munitions (2008): This Convention restricts the manufacture, use, and stockpiling of cluster munitions and the components of these weapons.
- The Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction (1997): This Convention, often referred to as the Anti-Personnel Landmines Convention, aims to eliminate anti-personnel landmines around the world.

Consistent with the aims of these two Conventions, Guinness Asset Management commits to excluding active investments in companies that have been identified, by credible third parties, as being directly involved in the design, manufacture or sale of such weapons. This policy applies across all asset classes managed by Guinness. The exclusion does not apply to beneficial holdings in passive funds (such as an equity index), underlying holdings of active funds invested in by our multi-asset funds, ETFs or derivatives, nor to affiliated companies.

To implement our policy we have an exclusion list based on information provided by independent third-party sources. We update the exclusion list on an annual basis. The exclusion list is distributed periodically across the firm. In the event that we identify a company in our portfolios that does not comply with these policy requirements, we will contact the company directly for confirmation of their involvement in cluster munitions or landmines -related activities. Following confirmation of their involvement in these activities, we will and divest any such holdings within 90 business days.

We monitor compliance in respect of this policy. However, due to the complexity of the issue and the changing nature of corporate involvement, there may be occasions when related securities appear in portfolios in error. If and when such instances are identified, we will seek to divest any such holdings within 90 business days.

Screening for the Norges Bank Exclusion list

The Guinness Sustainable Energy Fund complies with the exclusion list of companies prepared by Norges Bank. The Norges Bank Exclusion list is based on recommendations from the Norwegian Council on Ethics (appointed by the Norwegian Ministry of Finance) and currently contains around 130 companies, including power producers or mining company that derive 30 per cent or more of their income from thermal coal or have 30% or more of their operations based around thermal coal.

Approach 3: Thematic/Impact

A third approach to ESG incorporation, according to the UN PRI, is the application of thematic investing. The PRI defines this as *seeking to combine attractive risk-return profiles with an intention to contribute to a specific environmental or social outcome. Includes impact investing*.

The Guinness Sustainable Energy Fund is impact-aligned “by design”. It prioritises returns whilst delivering concentrated exposure to companies playing a key role in global decarbonisation, providing a positive environmental solution for investor’s portfolios. The fund is aligned to the World Bank’s nine principles of impact investing and further details are available in our latest “Sustainable Energy Fund: Impact Reporting” document.

Policy on Active Ownership

Our approach to "Active Ownership" at Guinness Asset Management is compliant with the UK Stewardship Code and covers our engagement with companies (either individually or collaboratively) on their ESG performance and our Proxy voting activity.

Our approach to active ownership is covered as follows:

1. **Stewardship Policy** that details our compliance with the seven principles of the UK Stewardship Code
2. **Company Engagement** that details our various approaches to engaging with investee companies
3. **Proxy Voting** that details our approach to Proxy Voting

Stewardship Policy

This policy describes how Guinness Asset Management (GAM) applies the seven Principles of the UK Stewardship Code which was adopted by the Financial Reporting Council (FRC) on the 2 July 2010.

Guinness Asset Management's main objective is to manage our clients' assets in such a way that we deliver on their mandate and, in fulfilling this purpose, we of course assume a stewardship role over the assets of our clients. In representing our clients' interest in relation to the investments made on their behalf, we recognise the responsibilities that go with ownership, and the related rights. Corporate governance is a risk factor that we consider when we assess a company's operational performance, its value to shareholders and when we determine the price we are prepared to pay to invest.

Our approach to these responsibilities in the context of the seven principles detailed by "The Stewardship Code" is set out below.

PRINCIPLE 1: Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities.

GAM's Stewardship Policy is part of the company's wider "Policy on Responsible Investment" and is available on the Guinness Funds website www.guinnessfunds.com.

PRINCIPLE 2: Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship and this policy should be publicly disclosed.

Procedures to identify and manage conflicts of interest that may give rise to a material risk of damage to the interests of our clients have been established for staff to follow when dealing with investee companies. Actual or possible conflicts of interest in relation to stewardship are reported initially to the Compliance Officer who will then refer the matter to the Board of Directors and/or the client if the conflict cannot be avoided. A separate "Conflict of Interest" Policy exists.

PRINCIPLE 3: Institutional investors should monitor their investee companies.

Fund managers monitor the activities and announcements of companies in which we invest on behalf of our clients as part of our duty of care. We draw on companies' financial reports, proxy statements and shareholder circulars. Where appropriate we engage directly with company management. We vote our clients' shares by proxy where applicable but do not generally attend company AGMs except in exceptional circumstances when we consider it necessary or appropriate.

We maintain an audit trail of voting activity and meetings, where applicable.

PRINCIPLE 4: Institutional investors should establish clear guidelines on when and how they will escalate their activities as a method of protecting and enhancing shareholder value.

Where it is necessary to protect and enhance our clients' long-term returns we will consider escalating our stewardship and engagement activities. The circumstances and method will be different depending on the issues and the timescale.

We would consider escalating our activities where we believe a company represents a good investment but where management is either putting value at risk or is preventing its release. Such escalations may include meeting with management and/or board members to discuss our concerns, working with other institutional shareholders to encourage a company to address concerns and hence increase the influence we may have on our client's behalf.

Details of our Engagement activity is detailed later in this Policy document.

PRINCIPLE 5: Institutional investors should be willing to act collectively with other investors where appropriate.

We may work with other like minded shareholders from time to time to promote good governance and prevent the destruction of value if that seems in the interest of our clients. However any action that we take to resolve an issue would always be in a manner which is not detrimental to our own clients' holding.
We would also be particularly conscious to avoid any risk of being deemed a concert party.

Details of our collaborative engagement activity is also detailed later in this Policy document.

PRINCIPLE 6: Institutional investors should have a clear policy on voting and disclosure of voting activity

Under the terms of the investment management agreements our clients may delegate voting discretion to us as the fund manager.

In these circumstances it is our policy to vote where we believe this is in our clients' interest or in accordance with specific guidelines agreed with our clients. Voting decisions are taken internally by the investment team responsible for the clients' portfolio.

Currently our voting record is publicly disclosed where clients require this and further details of our Proxy Voting activity are detailed later in this Policy document.

PRINCIPLE 7: Institutional investors should report periodically on their stewardship and voting activities.

Our reporting to clients is customized according to each clients' reporting requirements. Where proxy voting is undertaken for clients reports are made annually. As stated above where clients require it the voting record is in addition made public.

We are supportive of clients who take an interest in ownership responsibilities and it would always be our intention to ensure that clients are kept informed on a regular basis should they request information on how their ownership responsibilities are being fulfilled.

Company Engagement

We engage with investee companies in order:

- to influence investee companies proactively on ESG issues
- to encourage improved and/or increased ESG disclosure
- to gain a greater understanding of their ESG strategy.

We engage directly and collaboratively and do not prioritise between the various approaches.

Annual Corporate Engagement Process

The results of our Annual ESG screening process form the basis our annual individual engagement with investee companies. This is carried out annually with companies that score poorly in the screening work and our engagement informs the company, requesting improved ESG disclosure, and that deficiencies in specific aspects of ESG low scoring are addressed. This process is carried out by members of the Investment and the Compliance Teams.

Our engagement activity since 2014 is presented here:

Corporate Engagement Activity *	2014/2015	%	2015/2016	%	2016/2017	%	2017/2018	%	2018/2019	%
GAM ESG analysis and Engagement activity										
Number of stocks owned	273		261		225		333		318	
No. of companies investigated	77	*28%*	46	*18%*	51	*23%*	43	*13%*	34	*11%*
ESG Score threshold for investigation	<5pts		<5pts		<5pts		<15pts		<20pts	
No. of companies we 'passed'	52	*68%*	31	*67%*	31	*61%*	20	*47%*	15	*44%*
No of engagement letters sent	**25**	***32%***	**15**	***33%***	**20**	***39%***	**23**	***53%***	**19**	***56%***
'Low Score' engagement letters	2	*8%*	2	*13%*	1	*5%*	10	*43%*	10	*53%*
'No score' engagement letters	23	*92%*	13	*87%*	19	*95%*	13	*57%*	9	*47%*
Number of letters as % of total owned	9%		6%		9%		7%		6%	
Number of responses	5		7		3		3			
Response rate	20%		47%		15%		13%			

We do not divest from investee companies or screen out companies from our investment universes based solely on poor ESG performance. Our preferred approach is to engage with company management in order to investigate any material ESG concerns. Through our engagement process we aim to gain a better understanding of the company's performance, policies and procedures and encourage improvements where appropriate. We monitor progress made by the companies concerned and take further action as necessary. We believe that this approach encourages companies to address ESG issues, thereby enhancing corporate responsibility.

We monitor the results of our engagement and may re-engage, and escalate, with a company in the event of repeated poor disclosure. We have made 102 engagements with 78 companies since 2014, implying that 16 companies were engaged with twice or more.

Investment team meetings-based Engagement

Direct ESG engagement is carried out by the investment teams when meeting the management of our investee, and potential investee, companies. Communication can involve debating 'top-down' ESG themes with management, questioning management on poor 'bottom-up' ESG scores (from our scorecard) or encouraging disclosure on material ESG metrics.

As signatories of the UN PRI, we are aware of the importance of tracking these additional engagements and have started recording data accordingly. Meetings based engagements for the Energy funds were as follows in the second half of 2019:

Fund Level Engagement Activity *						2019
Global Energy Fund direct engagement	**Number**	**%**		**Sustainable Energy Fund direct engagement**	**Number**	**%**
Meetings	10	*83%*		Meetings	3	*20%*
Telephone calls	2	*17%*		Telephone calls	12	*80%*
Total interactions	**12**			**Total interactions**	**15**	
Number in which issues were discussed:				Number in which issues were discussed:		
Environmental	2	*17%*		Environmental	5	*33%*
Social	3	*25%*		Social	3	*20%*
Governance	6	*50%*		Governance	7	*47%*
Environmental, Social and Governance	10	*83%*		Environmental, Social and Governance	11	*73%*
None	2	*17%*		None	4	*27%*

* Year refers to the year in which the angagement happened

Collaborative Engagement

At Guinness, we also believe in collaborative action around ESG issues: focused programmes of engagement where the sum of the parts is significantly more effective than if each participant attempted to engage across the whole sector.

The most relevant example of this to our energy strategies would be Guinness' membership of Climate Action 100+, which is widely regarded as the world's leading engagement group on the issue of greenhouse gas emissions.

CA100+ investors have committed to engage with the world's largest corporate greenhouse gas emitters to improve their climate performance and ensure transparent disclosure of emissions. As a signatory of the CA100+ initiative, Guinness Asset Management as signed up to a common engagement agenda that seeks commitments from boards and senior management to bolster governance around the energy transition; take action to reduce emissions; and improve disclosure. We are engaging with Devon Energy as a collaborator, we signed up to this engagement in 2019.

In the interests of our clients, we may also work with other like-minded shareholders from time to time to promote good governance and prevent the destruction of value. Any action taken to resolve an issue would be with our best efforts and in a manner which is not detrimental to our own client's holding. We would also be particularly conscious to avoid any risk of being unintentionally deemed a concert party.

Proxy Voting

Proxy voting and the consideration of corporate governance issues are important elements of the portfolio management service that we provide for our clients. In principle, our Proxy Voting policy is designed to support our Portfolio Managers in making decisions that maximize a company's shareholder value and that are not influenced by conflicts of interest. The outcome should be a strong corporate governance framework for each investee company which allows it to be managed in the interests of its shareholders.

Proxy voting for all companies is carried out by the portfolio managers of the relevant Guinness Asset Management funds and the Proxy Voting process started in 2019.

We typically make our voting decisions based on our own research and consider the provision of third party data, where available, to assist and guide us (not to delegate to them) and to bring efficiency and ensure consistency in our approach.

We do not have strict proxy voting rules but rather empower the relevant Portfolio Manager to instruct, with the help of third-party data as available, to make decisions that they believe are in the best interest of our underlying clients.

Our voting records are recorded and analysed regularly, thus allowing our Compliance and senior management team to review any decisions (or exceptions) with the relevant Portfolio Manager.

Guinness Asset Management is a small shareholder for most of our investee companies. Where Guinness is a larger relative shareholder, we may raise potential concerns with the company ahead of voting and we might communicate our view and intention to abstain or vote against management. In some circumstances after voting against management, we may choose to engage with the company, but we do not have a formal escalation strategy.

Policy on Climate Risk

Guinness Asset Management Ltd is a responsible and forward-looking company and we are aware that there are risks and opportunities to our business and our investee companies as a result of the changing climate.

We are at the early stages of developing an approach to identify and manage material climate-related risks and opportunities in our portfolios. A lack of reliable and consistent data makes it difficult to assess the likelihood and impact of such risks but as a supporter of the Task Force on Climate-Related Financial Disclosures (TCFD), we will seek improved disclosure through our company engagement.

This policy on Climate Risk covers i) our approach to seeking greater disclosure around the climate related risks for our investee companies in accordance with the TCFD and ii) the monitoring of our direct carbon footprint, in order to minimise our impact on the environment and contribute to a sustainable future.

Task Force on Climate-Related Financial Disclosures (TCFD)

Guinness Asset Management is a public supporter of the Task Force on Climate-Related Financial Disclosures (TCFD) and we seek improved climate-related financial disclosure that is consistent, comparable, reliable and clear to enhance our investment processes. We are a fundamental, disciplined, long term investor and we seek the additional disclosure to help us fully consider the risks and opportunities that may arise from the current changing climate.

Guinness Asset Management has a heritage of investing in the energy industry and we are well placed to consider ESG and climate related issues in our modelling work and sensitivity analysis. We believe that this is in our clients' interests.

Our Climate-related risk analysis will be carried out by the RI Team, starting with 2019 data, on at least an annual basis as part of the annual ESG corporate screening process. The results will be shared with the Investment Teams. The risk analysis process essentially seeks to answer two questions for every investee company:

- What is the impact of this investee company on the environment? And to what extent might legislation, regulation, or carbon taxation alter the valuation of the company?
- What is the impact of the environment on this investee company? And to what extent might extreme weather patterns affect the operation and valuation of the company?

The result of the analysis will be included in our annual Engagement process. We will engage with those investee companies that either have poor disclosure or that appear to be suffering the greatest climate-related risks and will, at a minimum, requested greater climate-related risk disclosure.

Carbon Usage Policy

Since 2018, Guinness Asset management has had a Carbon Usage Policy. Office energy consumption, waste and travel are the greatest contributors to our carbon footprint and remain the key areas of focus. Our carbon management strategy to reduce our direct carbon footprint involves:

- Measuring and reporting our carbon footprint
- Minimising our emissions by improving operational efficiencies and investing in technological innovation
- Working with our service providers to understand the opportunities to improve our carbon usage
- Encouraging and helping our employees to reduce the emissions they generate in their working lives

We measure our carbon footprint, using DEFRA and other internationally recognised metrics, and report them via our carbon usage scorecard.

Guinness Asset Management: 2019 carbon usage scorecard

Guinness Asset Management's carbon usage in 2019 is based on approximate data and has been estimated by Carbon Footprint Ltd's "carbon calculator". The calculator uses DEFRA approved methodologies. The results for 2019 are summarised below:

GAM Carbon Usage Summary (2019)	
	Estimated Tonnes CO_2 e
Buildings	
Electricity Usage	28.1
Natural Gas Usage	4.1
Business Travel	
Flights	
Domestic (UK)	8.4
European	15.0
US	23.7
International (RoW)	14.9
Cars	0.3
Rail	2.0
Taxis	0.2
Tube	0.1
Commuting (other than walking/bicycle)	
Rail	11.3
Tube	1.4
Bus	5.6
Car	4.7
Motorbike	0.3
Total estimated carbon usage (tonnes CO_2 e)	119.9
Total estimated carbon usage per employee	3.1

Based on observations across the financial services sector, we believe that our carbon usage per employee is below average.

Further commentary on our carbon usage

Our office is located on one floor of an office block in London. The building benefits from new and efficient mechanical and electrical equipment which was installed in 2017 when the entire building was refurbished.

Our company-specific efforts to reduce our carbon footprint include the following measures:

- An annual carbon usage report to monitor our carbon emissions
- A 'cycle to work' scheme to encourage employees to use low carbon transport. The vast majority of our employees use public transport or bicycles to commute to work.
- A soon to be implemented salary sacrifice scheme to encourage employees to lease or buy zero-emission vehicles.
- Staff are encouraged to use public transport when attending client meetings.
- We regularly use teleconferencing to avoid unnecessary travel and associated carbon emissions.
- We encourage conservation of water and other resources.
- No office waste goes to landfill, we recycle all paper and plastics and have a food and compostable bin in the office. General waste is incinerated.
- The office has a well-equipped kitchen so the use of unnecessary single-use plastic can be avoided
- Internal documents are printed double-sided whenever possible to save paper and employees are encouraged to avoid unnecessary printing.
- Energy-efficient and motion-activated LED lights are installed throughout the office.

- The office has an open workspace layout, which requires fewer lights and other appliances than separate cubicles.
- Staff are encouraged to switch off computers and other electronic devices overnight.
- Electronics are usually re-used or re-cycled