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Acknowledgement of Country

First Sentier Investors acknowledges the First Peoples of Australia and recognises their ongoing role as Traditional Owners and Custodians of the land of this Country, and their continuing connection to the land, culture and community. We acknowledge the Gadigal people of the Eora Nation, as the Traditional Owners of the land known as Barangaroo, where our company head office is located. We acknowledge our Aboriginal and Torres Strait Islander employees, partners, and stakeholders, and pay our respects to their Elders, both past and present.

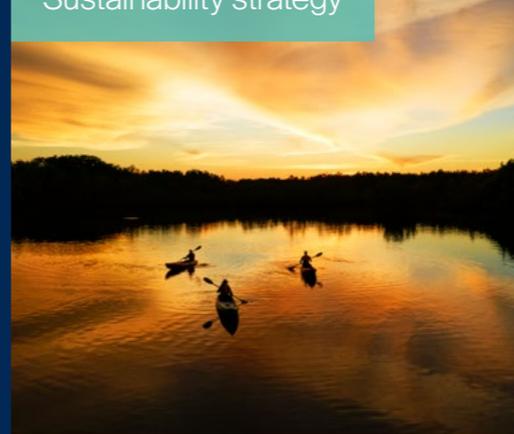
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01 | CEO foreword



Welcome to our 2023 Corporate Sustainability Report. This report outlines the progress we have made towards improving the sustainability profile of our business in line with our environmental, social and governance objectives.

Climate change, nature and biodiversity risks and modern slavery, are large-scale and complex issues that can no longer be considered in isolation of each other. Throughout 2023, we witnessed how big environmental, social and governance (ESG) issues are beginning to converge alongside heightened global political focus, that is influencing priorities for businesses and investors alike.

At First Sentier Investors, we believe that we have a role in contributing to a sustainable world that extends far beyond the capital allocation decisions we make. It is incumbent on us to consider how our own operations align with our responsible investment principles, to ensure that we understand and act on the ESG impacts of our business on people and the environment.

This year, I am proud to share the progress that we have made towards our climate change targets, our progress towards combatting modern slavery risks in our operations and supply chains, our delivery on our value of care among communities, and the work we have done to embed our diversity, equity and inclusion (DE&I) strategy.

Thank you for supporting our ongoing goal of contributing to a sustainable future.

Mark Steinberg

Chief Executive Officer



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02 | Who we are



02 | Who we are

First Sentier Investors is a global asset management group providing high quality, differentiated and relevant investment capabilities with a goal of delivering exceptional investment performance for our clients and profitable growth for our shareholder.

Our combined global investment capabilities span global and regional equities, cash and fixed income, infrastructure, property securities and alternative credit.

We are home to investment teams including FSSA Investment Managers, Igneo Infrastructure Partners, RQI Investors (formerly known as Realindex Investments) and Stewart Investors. In November 2023, we added an investment team by forming a strategic partnership with AlbaCore Capital Group (AlbaCore), a European alternative credit specialist.

We are stewards of A\$237.6 billion¹ of assets on behalf of institutional investors, superannuation funds, wholesale distributors and platforms, financial advisors and their clients. All investment teams operate with discrete investment autonomy, according to their investment philosophies and based on a common commitment to principles of responsible investment, stewardship and quality.

Our investment approach is to provide clients with quality investment products with the aim of delivering exceptional investment performance over the long term and through market cycles. Our investment teams offer a variety of investment styles and options to help achieve this goal, always in line with our investment philosophy.

Our Board includes representatives of First Sentier Investors Holdings Pty Limited's (FSIH) immediate holding company, Mitsubishi UFJ Trust and Banking Corporation (MUTB).

We are part of the broader Mitsubishi UFJ Financial Group, and our ultimate parent company is Mitsubishi UFJ Financial Group, Inc. (MUFG).

Figure 1: First Sentier Investors ownership structure



Our vision, purpose and values



Our vision

Our vision is to be a provider of world-leading investment expertise and client solutions, led by our responsible investment principles.



Our purpose

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



Our values

- **Care** – We care about our clients, society and each other.
- **Collaboration** – We collaborate to deliver the best solutions.
- **Openness** – We are open with each other, and to different ways of thinking.
- **Dedication** – We are dedicated to being experts in our respective fields.

1 First Sentier Investors' gross AUM, inclusive of associated strategic partnership with AlbaCore Capital Group, as at 31 December 2023.

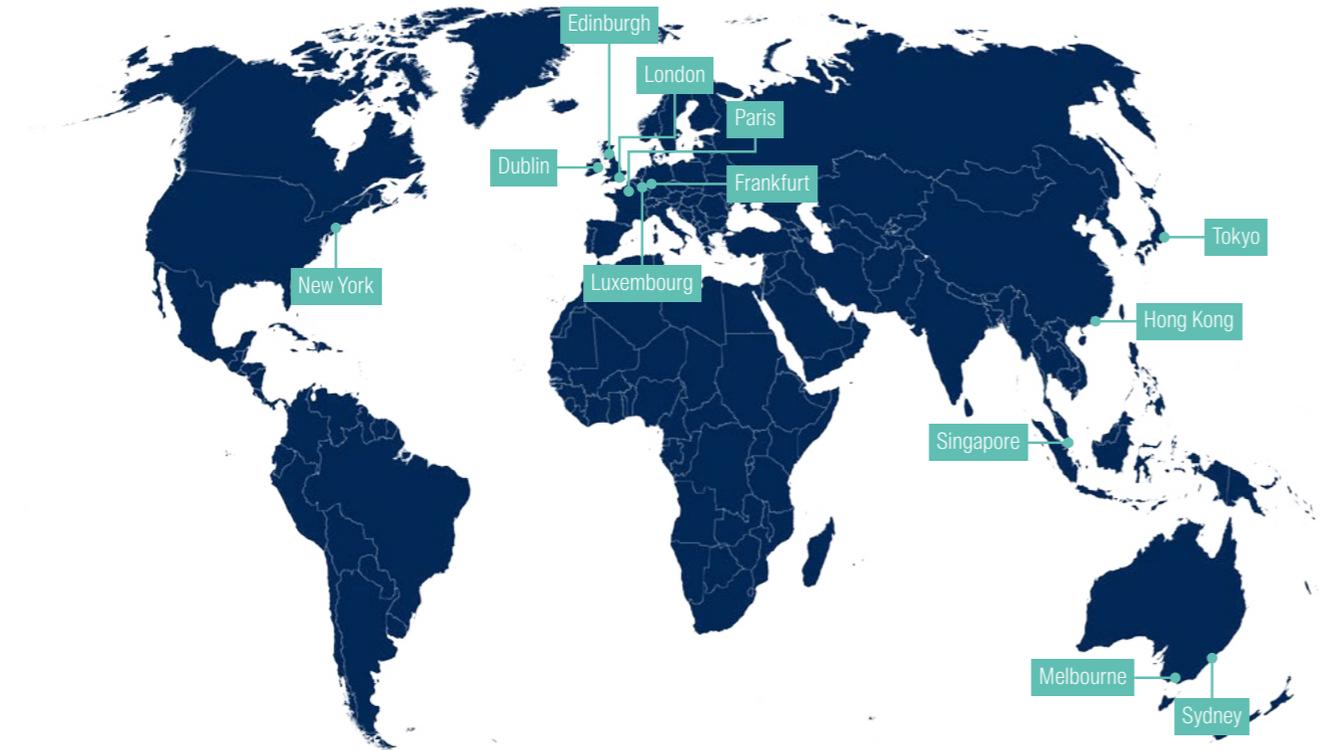
2 In order to comply with the regulatory requirements of the US Federal Reserve Board, First Sentier Investors (US) LLC (FSIUS) is held under MUFG Americas Holdings Corporation.



Our global business footprint

We have over 900³ employees across Asia, Australia, Europe and North America.

Figure 2: Our offices



3 First Sentier Investors as at 31 December 2023. This includes permanent and fixed term employees only, i.e. excluding Non-Executive Directors, MUTB secondees and third party contractors. These numbers also exclude AlbaCore.

Figure 3: Our employees by region

| Region | Total employees ⁴ | Investment employees ⁵ |
|---------------|------------------------------|-----------------------------------|
| UK and Europe | 386 | 71 |
| Asia | 166 | 39 |
| Australia | 394 | 123 |
| North America | 45 | 21 |
| Total | 991 | 254 |

Our approach to responsible investing

First Sentier Investors is an active investment manager with a diverse range of individual and autonomous investment teams with a shared commitment to responsible investment.

Approaches to responsible investment differ between asset classes, industries, and individual investments. However, at a firm level, we are primarily focused on four areas:



Climate change



Human rights and modern slavery



Diversity, equity and inclusion



Nature and biodiversity

4 First Sentier Investors as at 31 December 2023. This includes permanent and fixed term employees only, i.e. excluding Non-Executive Directors, MUTB secondees and third party contractors. These numbers also exclude AlbaCore.

5 First Sentier Investors as at 31 December 2023. Investment employees includes investment team members, investment team leadership and specialist investment support roles, e.g. Portfolio Managers, Analysts, Dealers and Investment Specialists. These numbers exclude AlbaCore.



This approach allows us to concentrate our resources more effectively and improve the firm's visibility across these areas. However, each of these areas present large, complex and interconnected problems, and we cannot solve these issues alone.

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

Engagement and stewardship continue to be a major focus for the firm and for individual investment teams, and we are signatories to the Stewardship Codes in the UK, Australia and New Zealand. Further details of stewardship activities can be found in our annual [Stewardship Reports](#) on our website⁶.

Given our diverse investment teams and their investment processes, the specifics of how each team implements their approach to responsible investment varies, however all teams share the following environmental, social and governance (ESG) investment beliefs:

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

6 The Securities and Futures Commission has not reviewed the contents of www.firstsentierinvestors.com.

The responsible investment strategy is underpinned by the following expectations at firm and investment team levels.

Our firm expectations

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

7 A list of our exclusions is available on our [website](#).

Our investment team expectations

-  To assess and monitor on an ongoing basis our investments for relevant ESG risks and opportunities
-  To engage in an active dialogue with companies and entities that we invest in
-  To document engagement activities and any issues raised to be followed up and reviewed periodically
-  To develop an engagement strategy with escalation points where a company is not recognising or addressing ESG concerns
-  To exercise our right to vote whenever possible
-  To measure and report on the ESG outcomes of our investments as evidence of our approach to RI
-  To not invest in certain companies on ethical grounds⁷

Further information about our approach to responsible investing can be viewed in our [2023 Responsible Investment Report](#).



B Corp Certification

Certified



Corporation

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

B Corp Certification provides a framework that we can use to effectively assess our operations against high standards from an environmental, social and governance point of view, as well as to identify areas where we can enhance and improve.

Certified B Corps must achieve a B Impact Assessment score of 80 points and are verified every three years on whether they continue to meet the rigorous, evolving standards.

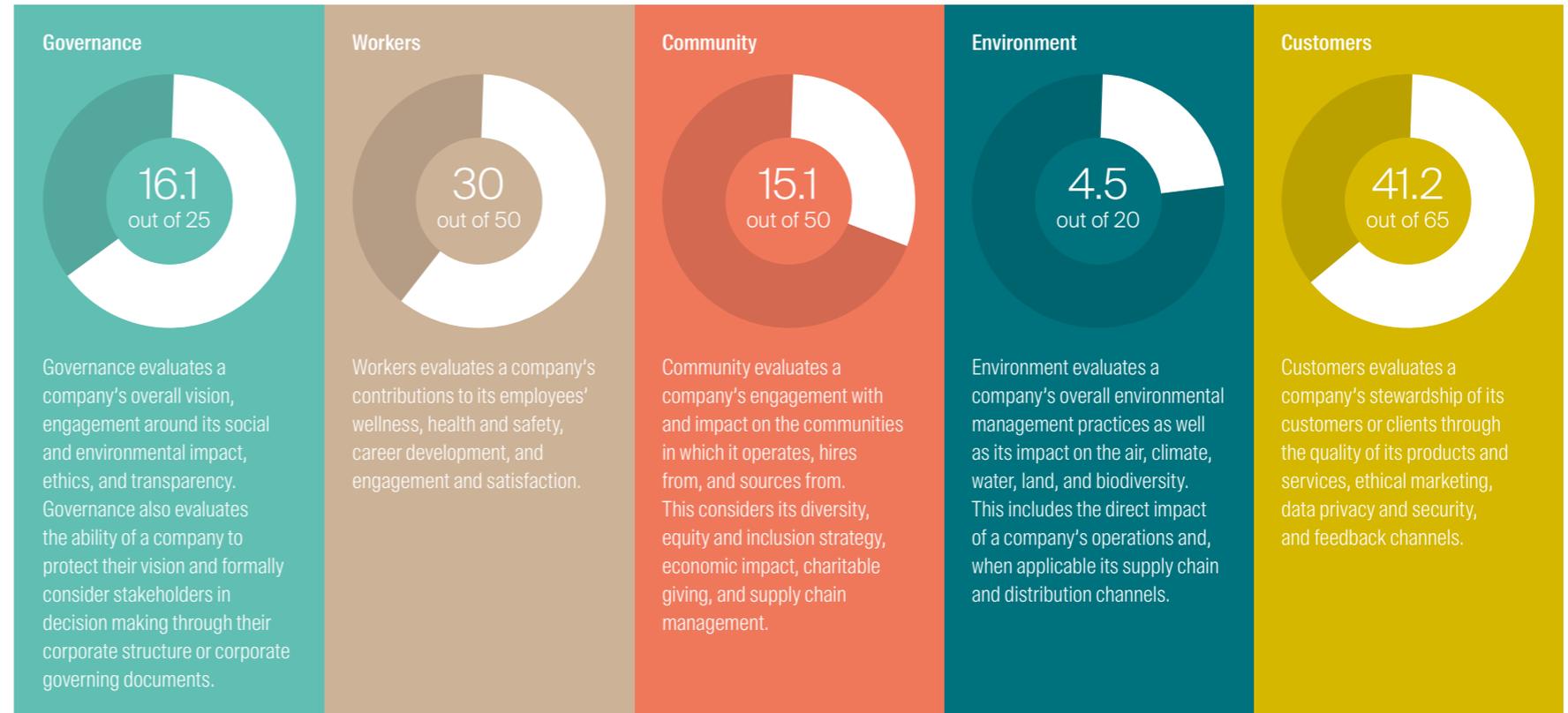
Based on the B Impact Assessment, First Sentier Investors earned an overall score of 107.2, as of November 2022.⁸

With a view to achieving our recertification in 2025, we continue to focus on making improvements, in line with our Corporate Sustainability strategy as outlined in this report, and the B Corp framework.

We also recognise the importance of engaging with the B Corp community. In 2023, we hosted round table events in Sydney and Singapore, bringing together a combination of certified B Corps and other companies from a range of different industries to discuss the B Corp Certification and the collective impact that larger enterprises can have on improving sustainability across industries, through the implementation of the B Corp framework.

Figure 4: B Impact Assessment categories⁹

For more information on our B Corp certification, visit the [B Corp website](#).



⁹ The results displayed in Figure 4, relate to First Sentier Investors Business Impact Assessment in 2022. Recertification, including a refreshed Business Impact Assessment, will take place in 2025.

⁸ <https://www.bcorporation.net/en-us/find-a-b-corp/company/first-sentier-investors/>



We also hosted employee engagement sessions in our London and Sydney offices, with B Corps from a cross section of industries including environmental consulting, education, luxury cosmetics and a global outdoor, lifestyle and sports company. They shared their insights on the B Corp Certification, why they believe the B Corp Certification is important for their business and their recommendations to further embed sustainability practices within an organisation.

Throughout 2024, we will continue to identify opportunities to engage with the B Corp community in the locations we operate.

“Being part of the B Corp community enables us to engage with and learn from other companies across different sectors who share a common objective to improve our impact on people and the planet.”

– Suzanne Evans, Chief Financial and Strategy Officer

New B Corp standards consultation¹⁰

The B Corp Certification standards have been revised 6 times over the 17 years since B Corp Certification began.

As the climate crisis intensifies and societal inequality grows, B Labs, the global non-profit organisation that awards B Corp Certification, has recognised the need to evolve its standards to meet the magnitude of the challenge ahead, with the aim of meaningfully demonstrating the leadership role that B Corps and the B Corp movement plays in the world.

During 2023 and early 2024, B Labs held an open consultation to review the existing standards including to propose a number of changes to the framework. The proposed changes include:

- Expanding the ‘B Impact’ categories from 5 (Governance, Workers, Community, Environment, Customers) to 9 Performance Requirements, plus an additional Foundation Requirements category.
- Removing the current points-based system and replacing this with minimum criteria required to be met against all 9 Performance Requirements.

The timeframe for the new standards to be implemented will be communicated by B Labs and is expected to be introduced in a phased approach.

First Sentier Investors responded to the consultation and will target recertification in November 2025 and this assessment will continue to be subject to the existing standards.

For more information about the draft standards for B Corp Certifications, visit the [B Corp website](https://standards.bcorporation.net/en-us/draft).

10 <https://standards.bcorporation.net/en-us/draft>



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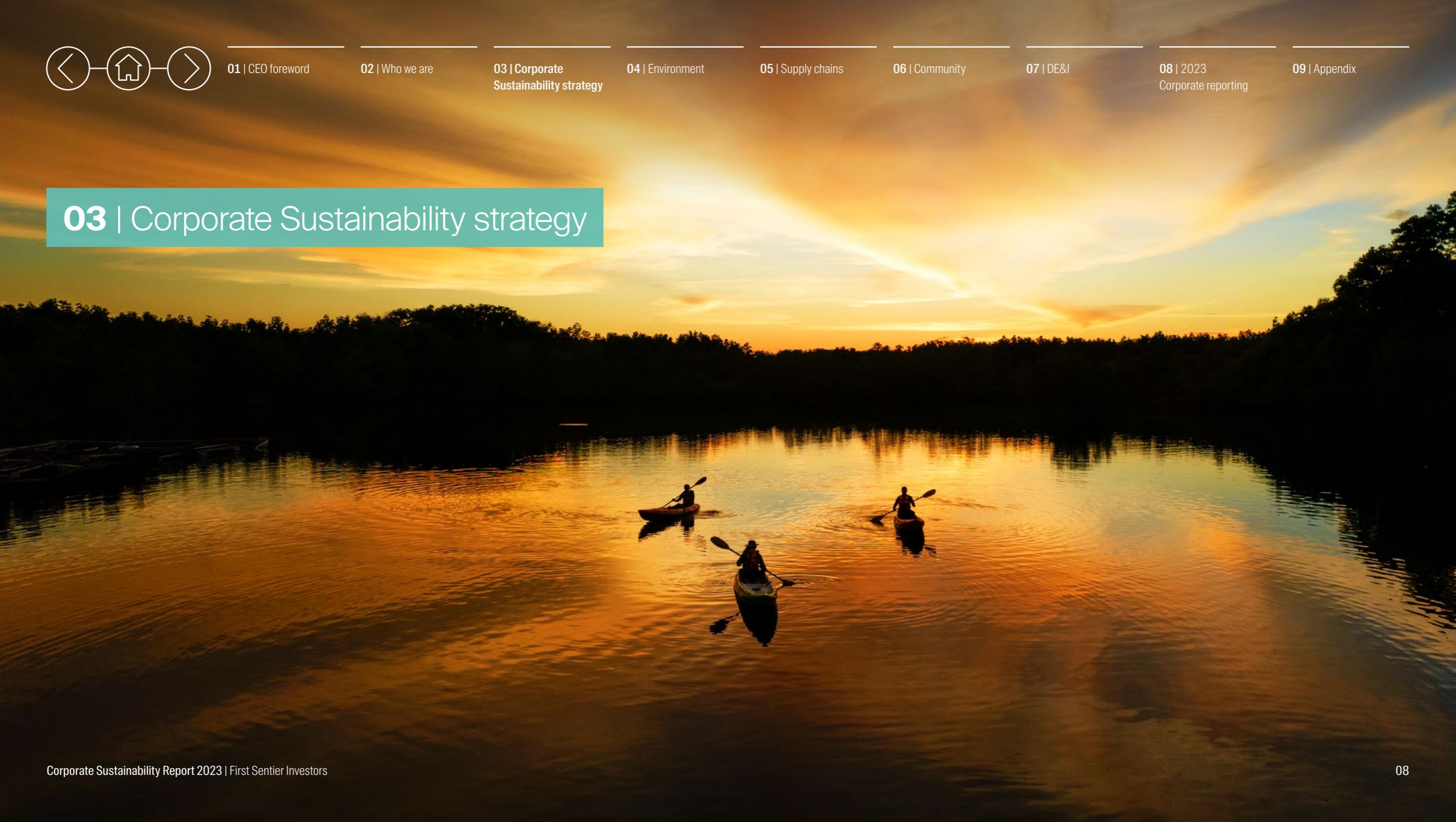
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03 | Corporate Sustainability strategy

At First Sentier Investors, we have a proud history of responsible investing, and we are also passionate about holding our own global operations to the same high standards of corporate behaviour and practices that we expect of the companies that we invest our clients’ money in.

We recognise that businesses and capital markets are navigating some of the most complex and challenging issues of our time – from climate change to modern slavery – and we are on a journey of continuous improvement in our pursuit of sustainable business practices.

Our work in improving the sustainability of our operations is adjacent to and complements our Responsible Investment team’s focus on integrating ESG into investment processes.

This report captures our 2023 activity, which is organised into four priority areas:



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



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



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



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

“ESG risks are evolving quickly, and our business has a role to play in managing operational risks as well as playing a role in building a sustainable future”.

Rebecca Antonini, Head of Corporate Sustainability

04 | Environment



95%+ renewable electricity¹
for 2023, up from 70% in 2022



80% reduction in combined Scope 1 and 2 emissions (market based) from 2022 baseline year



82% of global office space (by sqm) in buildings with green building certifications²



ISO14001 certification of our Edinburgh office



WELL Platinum rating of our Barangaroo office in Sydney

Please refer to page 11 for footnote references

04 | Environment

Why is it important to us?

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

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

In March 2022, we announced a firm-wide target to reduce greenhouse gas emissions across our business operations in line with a target of net zero emissions by 2030 (or sooner).³

We are working towards this target by transitioning our offices to renewable energy, implementing energy efficiency opportunities in our offices, expanding our emissions data collection and developing resources to support our business.

What we are doing

Renewable energy

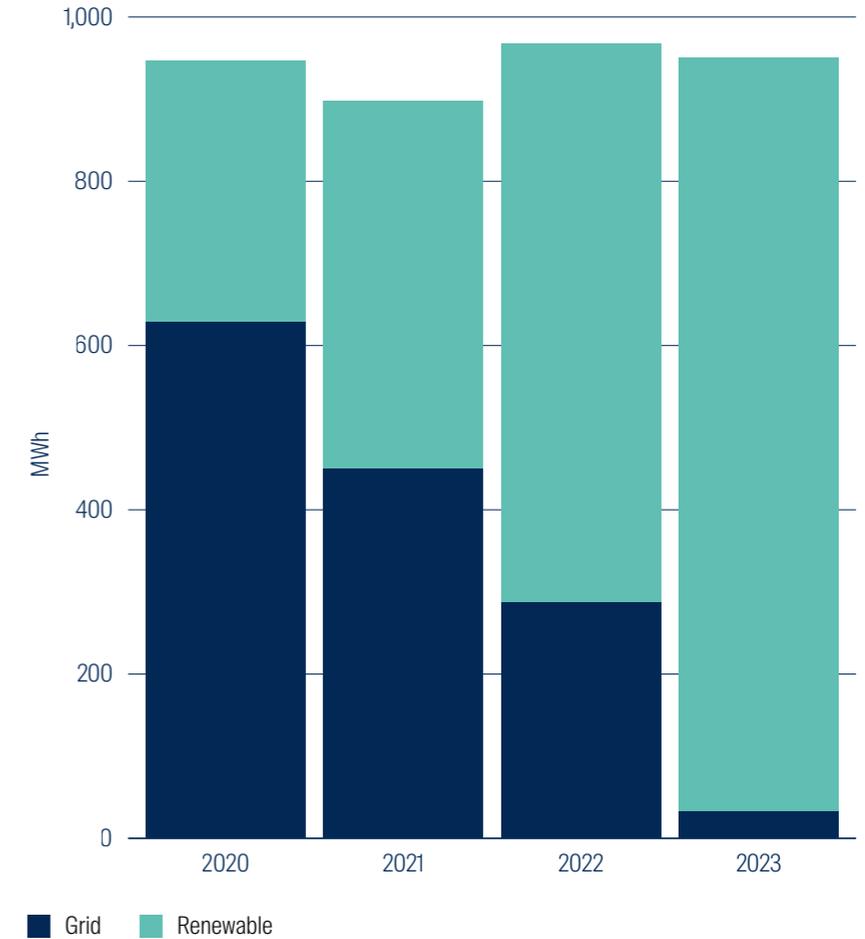
Since 2020, we have steadily increased the percentage of renewable energy procured for our office operations. In 2023, over 95% of our office electricity consumption came from renewable sources.⁴

First Sentier Investors is a tenant of multi-tenant buildings and contracts directly for renewable electricity wherever possible. Where we do not have operational control to procure our electricity directly via energy retailer tariffs, we purchase Renewable Energy Certificates (RECs) within the same energy market boundary.

In 2023, we maintained green gas⁵ procurement for our Edinburgh facility, our only office facility with a direct gas contract.

Due to our efforts in procuring renewable energy globally, we have made progress on reducing the impacts on our operational footprint, with over 80% reduction in our combined Scope 1 and 2 emissions in 2023 compared to 2022.

Figure 5: Global electricity source



Source: First Sentier Investors

1 Renewable electricity obtained via energy retailers or through the purchase of Renewable Energy Certificates (RECs)
 2 Green building certifications refer to those issued by the USGBC, IWBI, GBCA, NABERS, SGBC, HKGBC, and similar green building certification organisations. Certifications include LEED, Green Star, BREEAM, NABERS, WELL, and other similarly aligned ratings.
 3 This target covers Scope 1, 2 and limited scope 3 emissions in line with the GHG Protocol. Scope 3 is limited to our corporate travel activities.

4 Renewable electricity obtained via energy retailers or through the purchase of Renewable Energy Certificates (RECs)
 5 Green gases are renewable and low carbon gases such as biomethane that can be used in place of fossil fuels. First Sentier Investors purchases green gas via tariff arrangement with our energy provider.



Carbon offset projects

Our primary focus is on the decarbonisation and reduction of our operational emissions in line with our net zero target. We focus on the mitigation hierarchy, prioritising initiatives to reduce our emissions, however we are cognisant of the challenges in transitioning harder-to-abate sectors to low carbon alternatives, such as within the aviation sector.

For example, 2022 and 2023 saw our business travel emissions increase compared to prior years where the COVID-19 pandemic limited our business travel and therefore our emissions across 2020 and 2021. We recognise the need to connect in person with our clients, investee companies and colleagues, as a global business, and we are continuing to monitor the impacts of our business travel and are reviewing our activities and travel policies to help manage emissions.

We purchase and retire carbon credits for emissions related to our Scope 3 – Category 6 – business travel, Scope 3 – Category 7 – employee commuting and telecommuting and for the emissions related to steam heating which forms part of our Scope 2. We purchase carbon credits alongside the decarbonisation action we take within our operations, acknowledging the potential of the voluntary carbon market to direct financing to global climate action projects.

We partnered with Southpole⁶ on our offset program in 2022, and in 2023, we purchased carbon credits from three global nature-based projects certified to the American Carbon Registry (ACR)⁷, PlanVivo Carbon Standard (PV Climate)⁸ and the Australian Emissions Reduction Fund (ERF)⁹ standards. These projects are certified to an International Carbon Reduction and Offset Alliance (ICROA)¹⁰ endorsed international certification standard and undergo an annual third-party audit to demonstrate compliance with the ICROA's code of conduct.

In 2023, we purchased and retired carbon offsets from the following projects:

| Project | Location | Certification | Sustainable Development goals – project benefits ¹¹ |
|-------------------------|---------------|---|--|
| Boone Improved Forestry | United States | American Carbon Registry | |
| Jawoyn Fire Management | Australia | Australian Emissions Reduction Fund (ERF) | |
| EthioTrees | Ethiopia | PlanVivo Carbon Standard (PV Climate) | |

6 [SouthPole](#)
 7 [American Carbon Registry](#)
 8 [PlanVivo Carbon Standard](#)
 9 [Australian Emissions Reduction Fund](#)
 10 [ICROA](#)
 11 [Southpole](#). Sustainable development goal impact is subject to each specific project.



Sustainable buildings



Case Study: ISO 14001 in Edinburgh and office improvements



ISO 14001:2015 (ISO 14001) is an internationally recognised standard for environmental management systems (EMS). It provides a framework for organisations to design and implement an EMS, and continually improve their environmental performance.¹²

In November 2023, we achieved ISO 14001 EMS certification for the management of our Edinburgh office and operations of the Corporate Sustainability Team. Our Edinburgh office was selected as the pilot site for the certification because we have more operational control over the office building relative to our other head-lease locations, allowing us to directly implement processes and actions to improve our environmental impact.

This certification helps us to facilitate a proactive approach to minimise our environmental footprint, comply with relevant legal requirements, and achieve our environmental objectives. The framework encompasses various aspects, including resource usage; waste management; supply chain and procurement management; monitoring environmental performance; and engaging stakeholders in environmental commitments.

Some examples of the key achievements and improvements made during the course of the certification include:

- Publication of our Environmental Policy Statement;¹³
- Introduction of our Edinburgh office ESG plan, to identify short-term and medium-term initiatives to improve our environmental impact at an office level;
- Dedicated employee training and awareness sessions on improving our environmental impact;
- Establishment of a ‘green team’ at the Edinburgh office to drive improvements locally;
- Procedural improvements to better manage hazardous material such as spills, to prevent environmental damage; and
- Enhanced environmental awareness expectations communicated to key contractors that service the Edinburgh office.

Over the coming years, we will continue to evolve and improve our systems at a global strategy level and on-site, at our Edinburgh office. This will include preparing for annual ISO 14001 surveillance audits, with the first one taking place late 2024, which will focus on continual improvements in our environmental performance.

During 2024, we aim to certify two more offices, which will be supported by training and coaching to implement the system.

12 <https://www.iso.org/standard/60857.html>

13 <https://www.firstsentierinvestors.com/content/dam/web/global/corporate-sustainability/documentation/environmental-policy-statement.pdf>



Case study: WELL Certified™ Platinum certification: Barangaroo office



In 2023, we received a WELL Certified™ Platinum certification for our headquarters at International Towers in Sydney’s Barangaroo precinct.¹⁴ The Platinum certification is the highest rating attainable and recognises excellence across a range of elements including air, water, nourishment, movement, light, thermal comfort, sound, materials, mind and community.¹⁵

Our achievement recognises a range of factors, including the design and layout of our office, with features such as circadian lighting principles, collaborative workspaces, and plug-free zones to create a comfortable working environment, as well as the incorporation of biophilic elements such as indoor plants and natural materials to create a connection with nature. Our office spans two levels connected by an inter-floor staircase and an adjacent rotating art gallery that showcases local artists.

“Earning WELL Certification at the Platinum level – the highest pinnacle – demonstrates First Sentier Investors’ steadfast commitment to people-first places, and International WELL Building Institute (IWBI) is pleased to offer our heartfelt congratulations.”

– Jack Noonan, Vice President, APAC, IWBI.

14 <https://account.wellcertified.com/directories/projects/cfs-fitout>

15 <https://v2.wellcertified.com/en/v/overview>



Our operational emissions

We calculate our emissions in alignment with the World Business Council for Sustainable Development (WBCSD)¹⁶ and World Resources Institute (WRI) Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (revised edition)¹⁷ (GHG Protocol). Our focus is on reporting our Scope 1, Scope 2 and material aspects of our Scope 3 emissions arising from our operations. This year we expanded our Scope 3 reporting to include our indirect emissions through our value chain, such as purchased goods and services, water, other fuel and energy-related activities, waste and employee commuting and telecommuting emissions. We prioritise sources of actual data wherever possible, however, where data is not readily available, we use estimation models.

In 2023, we began using decarbonisation platform, SINAI Technologies, Inc, to centrally collate and calculate our corporate operational emissions and to derive insights from our emissions data. This has resulted in improvements in our calculation methodology, and we have also updated our data using the Intergovernmental Panel on Climate Change (IPCC) Global Warming Potential (GWP) from the Fourth Assessment Report (AR4) to the Fifth Assessment report (AR5)¹⁸ values. We have restated the data from 2020 to 2023 in Figure 6 for comparability.

16 <https://ghgprotocol.org/about-wri-wbcsd>

17 <https://ghgprotocol.org/>

18 The IPCC updated its Global Warming Potential (GWP) of the emissions factors between the Fourth Assessment Report (AR4) and Fifth Assessment Report (AR5). The change to GWP AR5 values, has minor impact to our previously published emissions, and follows international greenhouse gas reporting best practice.



What are our Scope 1, 2 and 3 emissions?

Scope 1 emissions are direct emissions from First Sentier Investors-owned or controlled sources.

Our Scope 1 emissions are from the combustion of natural gas in our Edinburgh office and currently excludes diesel (as part of stationary combustion) and refrigerants – these are expected to be immaterial to our operational GHG inventory. We do not have any company vehicles, and therefore no associated transport fuel contributing to our Scope 1 emissions.

Scope 2 emissions are indirect emissions from the generation of purchased energy consumed by First Sentier Investors, including electricity, heat and steam. We have reported using both the location and market-based method.

We use actual consumption data from our head-leased¹⁹ offices and estimates for our serviced offices²⁰ (where consumption data is not available), using our global energy data and scaled by office area. Serviced offices make up <5% of our total global net lettable area (NLA). We purchase renewable energy via energy retailer tariffs or Renewable Energy Certificates (RECs) for our global offices. Steam heating is limited to our New York office.

We use dual reporting for our Scope 2 emissions. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that First Sentier Investors has purposefully chosen, taking into account our procurement of

19 Long-term lease usually with a mid-point break option, made directly with the landlord.

Usually with some control over the operations of our own tenancy.

20 Short-term service agreement often rolling on an annual basis, with a short notice period.

Usually with limited to no control of the operation of the tenancy.

renewable electricity. It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims.

Scope 3 emissions are indirect emissions that occur in First Sentier Investors value chain.

We have previously focused our reporting on corporate business travel including flights, accommodation and car hire. During 2023, we expanded our Scope 3 reporting to include emissions arising from employee commuting, working from home, water, waste and fuel and energy related emissions not already included in Scope 1 or Scope 2 (defined as Category 3 by the GHG Protocol). We continue to evolve the reporting of our material Scope 3 emissions alongside continual improvements in our data.

Where available, we use actual data for calculating our Scope 3 emissions. However, where data availability is limited, we apply estimation models to extrapolate this across our global footprint. Our global purchased goods and services emissions are currently calculated using a spend-based methodology.

Biogenic emissions are the emissions arising from our procured 100% green gas contract in our Edinburgh office.

In October 2022, we transitioned from a natural gas to green gas tariff in our Edinburgh office. Gas is used for heating in this building.

For more information on definitions and our emissions calculation methodology, please refer to the notes in the Appendix.



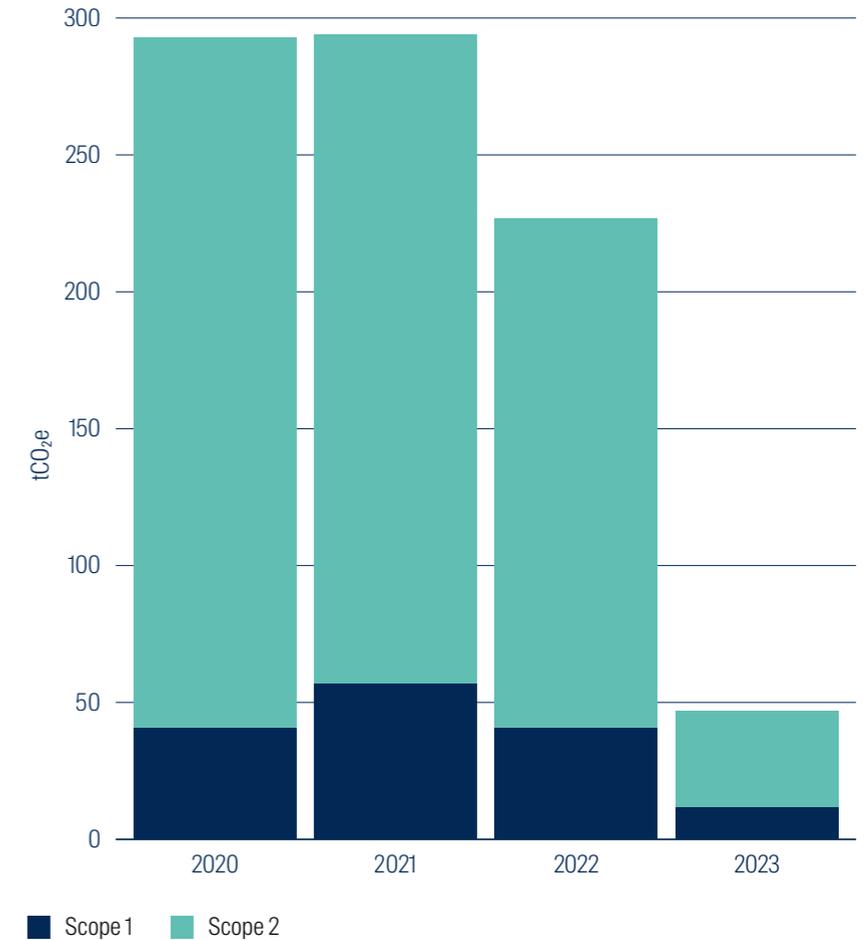
Figure 6: Our operational Scope 1, 2 and 3 GHG Emissions 2020–2023

| First Sentier Investors emissions | | | | |
|--|----------------------------------|---------------|--------------|--------------|
| | tCO ₂ e ²¹ | | | |
| | 2023 | 2022 | 2021 | 2020 |
| Scope 1 (direct emissions) | 12 | 41 | 57 | 41 |
| Scope 2 (indirect emissions) | | | | |
| Purchased electricity – location method | 413 | 422 | 397 | 425 |
| Purchased electricity – market method | 1 | 153 | 210 | 224 |
| Purchased heat and steam | 33 | 34 | 27 | 28 |
| Scope 3 (indirect emissions – value chain)²² | | | | |
| Category 1 – Purchased Goods and Services | 9,472 | 7,810 | - | - |
| Category 1 – Water | 2 | 2 | - | - |
| Category 3 – Fuel and energy related activities (not included in Scope 1 or 2) | 141 | 147 | - | - |
| Category 5 – Waste | 4 | 2 | - | - |
| Category 6 – Business travel | 5,992 | 5,595 | 316 | 957 |
| Category 7 – Employee commuting and telecommuting | 404 | 286 | - | - |
| Category 8 – Data Centre | 217 | 217 | - | - |
| Biogenic emissions | 32 | 14 | - | - |
| Total emissions (Scope 1, 2 – location based, Scope 3 and biogenic) | 16,722 | 14,570 | 798 | 1,452 |
| Total emissions (Scope 1, 2 – market based, Scope 3 and biogenic) | 16,310 | 14,300 | 611 | 1,250 |
| tCO ₂ e per sqm | | | | |
| Emission Intensity (Scope 1 and 2 – location based) | 0.034 | 0.037 | 0.036 | 0.037 |
| Emission Intensity (Scope 1 and 2 – market based) | 0.003 | 0.017 | 0.022 | 0.022 |

21 Data may differ from that reported in prior First Sentier Investors reports due to improvements in our calculation methodology, and updated from GWP AR4 to AR5. We have restated all years for comparability.

22 In 2023, we expanded our Scope 3 reporting to Category, 1, 3, 5, 7 and 8. These emissions for the 2022 and 2023 years are reported for the first time in 2023.

Figure 7: Reduction in Scope 1 and 2 emissions (market based)



Source: First Sentier Investors



Our financed emissions

Our financed emissions – the indirect exposure to carbon emissions we have through the investments we manage for our clients – form a significant proportion of our firm’s total carbon footprint. Our Responsible Investment team manages the carbon emissions data for all for all investment teams and our financed emissions are publicly available on our [website](#).

Figure 8: Our financed GHG emissions 2023

| | Listed Equities | Fixed Income | Direct Infrastructure |
|--|-----------------|--|-----------------------|
| Coverage (AUM) | 93.3% | Corporate fixed income: 82.9% Sovereign debt: 89.8% | 91.0% |
| Total carbon emissions (tCO₂e, Scope 1+2) | 5,262,901 | 353,731 | 1,387,769 |
| Scope 1 (tCO₂e) | 4,104,621 | 320,061 | 1,302,076 |
| Scope 2 (tCO₂e) | 1,158,280 | 33,670 | 85,693 |
| Scope 3 (tCO₂e) | 45,688,263 | 2,303,199 | 3,931,750 |
| Weighted average carbon intensity (Scope 1+2) /\$million sales OR (Scope 1+2)/\$GDP for sovereign | 149.9 | Corporate fixed income: 132.6 Sovereign debt: 89.8% | 511.0 |

Source: First Sentier Investors, ISS ESG, Sustainalytics, data as at 31 December 2023
The data set out above are estimates based on data sourced by First Sentier Investors.²³

Total Carbon (Financed) Emissions is a metric that measures the absolute carbon emissions associated with a portfolio (Scope 1 and 2) expressed in tCO₂e. Scope 1 and 2 emissions are allocated to investors based on an enterprise value ownership.

Weighted average carbon intensity refers to the portfolio weighted average of each company’s intensity (scope 1 and 2) per US \$m sales.

Portfolio emissions are based off Enterprise Value Including Cash (EVIC)²⁴ as a proxy for company size, as recommended in the most recent Partnership for Carbon Accounting Financials (PCAF) Standard.

23 This data is current at 31 December 2023. It is based on information and representations sourced from third parties (including investee companies), which may ultimately prove to be inaccurate. No assurance is given or liability accepted regarding the accuracy, validity or completeness of this data and no reliance should be placed on it by any third party.

24 EVIC is the Enterprise Value Including Cash and is the sum of the market capitalisation of shares plus total outstanding debt including cash.



Our future plans

In 2024 and beyond, we intend to continue to:

- Finalise our net zero roadmap, refine our objectives and communicate the decarbonisation strategies across our direct and indirect operational emissions.
- Disclose our direct locations (including corporate offices), assess nature-related impacts, dependencies, risks and opportunities in our offices using the using the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations.
- Extend office-level certifications including ISO 14001, WELL and NABERS, including the certification of two additional offices against the ISO 14001 framework in 2024.
- Procure 100% renewable electricity²⁵ across our global offices (head leased and serviced offices) by 2030.

25 Renewable electricity obtained via energy retailers or through the purchase of Renewable Energy Certificates (RECs)



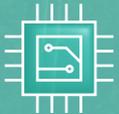
05 | Supply chains



Published **2022 Modern Slavery Statement**



100% of First Sentier Investors employees completed **mandatory online modern slavery training**



10 electronics suppliers were engaged in a **modern slavery due diligence initiative**, in efforts to collaborate and educate



Commenced development of a **Modern Slavery Took Kit** for Supplier Business Owners (SBO)



Introduced a **Modern Slavery Steering Committee** to enhance governance and oversight





05 | Supply chains



Why is it important to us?

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

The magnitude and complexity of modern slavery has been exacerbated recently by forces such as climate change and nature loss, as their adverse impacts push people to migrate and expose vulnerable populations to modern slavery. The escalation of the Israel-Palestine conflict in the latter half of 2023, as well as the ongoing conflict in Ukraine, have also highlighted the adverse impacts that armed conflict has on the rights of vulnerable civilian populations.

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



Modern Slavery is a crime that is present in every country in the world, with an estimated 50 million people living in situations of modern slavery globally. This is an increase of 10 million people since the previous estimates in 2018.

Women, children and migrant workers are disproportionately impacted and approximately 60% of victims are estimated to be in the Asia-Pacific region.¹

1 Walk Free Global Slavery Index: <https://www.walkfree.org/global-slavery-index/>



What we are doing

2023 Progress on modern slavery

Throughout 2023, First Sentier Investors continued with efforts to combat modern slavery risks, in line with the roadmap actions outlined in our [2023 Modern Slavery Statement](#). Some of the actions we have taken during the year include:

- Enhancements to our supplier governance processes to improve supplier screening, ongoing due diligence and contract management.
- The integration of modern slavery risk indicators into new supplier screening processes within our supplier management platform to capture modern slavery risk indicators² such as: sector, product, geography and entity risk.
- Enhancing our existing risk assessment of our suppliers to include geographic risk.
- Implementing a supplier engagement program with our higher-risk Information Technology (IT) suppliers to understand more about their supply chains and, in collaboration with consultants who specialise in the prevention of modern slavery, to also educate our suppliers on the modern slavery.
- Conducting a review of our internal policies and procedures to assess their alignment with human rights principles and update accordingly.
- Developing a Modern Slavery Toolkit for Supplier Business Owners (SBO) and a modern slavery response and remediation plan, to be piloted during 2024. These tools are intended to support SBO's to identify and address modern slavery within their supplier relationships and to provide a framework to help us respond effectively to suspected or actual cases of modern slavery.

2 Commonwealth Modern Slavery Act Guidance for Reporting Entities May 2023, Modern Slavery Risk Indicators, https://modernslaveryregister.gov.au/resources/Commonwealth_Modern_Slavery_Act_Guidance_for_Reporting_Entities.pdf

- Facilitating targeted training for our employees to equip them with skills and knowledge to identify and address modern slavery.
- Introducing a Modern Slavery Steering Committee to provide guidance, direction and endorsement for continual improvement of internal processes and procedures, relating both to our own corporate operations and our supply chains.

A large proportion of our suppliers are categorised as lower-risk, including professional services firms that support us in providing clients with pooled and segregated investment management services. We also engage suppliers to help to run our corporate operations, information technology systems, support services, merchandising, facilities and premises (e.g. cleaning and catering services). Some of these suppliers are from sectors that have a higher-risk of modern slavery, particularly through the tiers of their supply chains, including in the extraction of raw materials.

In 2023, there were no identified incidents of modern slavery in our corporate operations and supply chain, however we recognise the likelihood that modern slavery does exist within the tiers of our supply chain. While our policies and processes to identify risks of modern slavery are an important step in our overall process, we believe that continued collaboration, education and engagement with our higher-risk suppliers will be important to drive broader change.



Case study: Supplier due diligence initiative

The [Global Slavery Index 2018](#) identified electronics (laptops, computers and mobile phones) as the products with the highest modern slavery risk imported by G20 countries. In 2023, further data from the [Global Slavery Index 2023](#) confirmed that electronics continue to be the highest value at-risk import for the majority of G20 countries.

While our Tier 1 suppliers³ predominantly operate in lower risk geographies, we anticipate the likelihood that products and services from their upstream supply chain may come from higher risk geographies such as China.

With this context, in 2023, we piloted a due diligence initiative with 10 IT hardware (electronics) suppliers and service providers, whose services include third-party supply of hardware such as handheld devices, laptops, computers, network providers, data centres and other IT solutions.

Our objective is to collaborate with our suppliers so we can understand more about their businesses and be better positioned to identify and support remediation of modern slavery risks in their supply chains. This initiative is also intended to educate our suppliers on the modern slavery risks within the IT sector and encourage similar engagements with their own Tier 1 suppliers.

To support us in this initiative, we engaged [State of Flux](#), a global supplier management specialist with extensive experience in sustainable supplier relationships.

More information on this initiative can be found in our [2023 Modern Slavery Statement](#)



Our future plans

In 2024, we will continue to implement the actions outlined in our Modern Slavery roadmap, including:

- Conducting further modern slavery and human rights due diligence on our suppliers.
- Partnering with selected higher-risk suppliers to develop an action plan to address risks of modern slavery in their supply chains and provide supporting materials and education.
- Implementing further training and resources for our Supplier Business Owners and wider employee population on the risks of modern slavery and the actions that can be taken to address and escalate risks and identified incidences.
- Continuing to review and enhance our policies and procedures relating to our supplier engagement and governance.
- Engaging with relevant divisions in our organisation on broader ethical procurement practices.

3 Tiers of suppliers
 Tier 1: First Sentier Investors' directly contracted suppliers.
 Tier 2: suppliers or companies that subcontract to our Tier 1 suppliers.
 Tier 3: suppliers or subcontractors of First Sentier Investors Tier 2 suppliers.

06 | Community



Over **A\$1 million** awarded in grants to **strategic charity partners**, supporting a range of projects from early years to adult/lifelong learning¹



Grants supported over **3,600** beneficiaries, located in **33+** cities and towns²



Over **18%** of our people **volunteered at least once** during the year³



Our employees personally donated and fundraised for **over 125 charities**, which the **First Sentier Foundation** matched⁴



Our people have served on **35** charity board, trustee, committee and governance roles since 1 January 2020⁵

Please refer to page 21 for footnote references





06 | Community

Why is it important to us?

As part of our corporate value of Care, we are committed to actively contributing to the communities in which we live, work and invest in. We believe that companies like ours have a role in shaping society to be a better place for all. One of our priorities is to make a difference in our community, through our philanthropic initiative, the First Sentier Foundation.

Founded in 2012, the First Sentier Foundation's purpose is to partner with charitable organisations across the world that help build sustainable lives through education.

Education plays an important role in sustainable development. This is reflected in the Sustainable Development Goal (SDG) 4, which aims to ensure inclusive and quality education for all and promote lifelong learning.⁶ Education can enable upward socioeconomic mobility, reduce societal inequalities, and provide a route out of poverty. Education can also provide a platform for other SDGs to be achieved – by empowering people to improve livelihoods, to contribute to sustainable development and health of communities. For more information about the impact of education and sustainable livelihoods, see this [document](#).

1 Includes grants to new strategic partners and renewals approved and awarded in 2023. Some payments may be processed and paid in 2024.

2 Based on estimated impact data from strategic charity partners.

3 Based on data in our HR system. This data may be underreported.

4 Based on employees who submitted First Sentier Foundation matching requests during 2023.

5 Data is based on Outside Business Activities disclosed by employees on the company's compliance portal since 1 January 2020, and may include employee who have since left the company, and non-current positions. This data may be underreported, as employees may not have disclosed charitable positions where there was no perceived, potential or actual conflict, as per the company's Conflict of Interest policy.

6 United Nations, Department of Economic and Social Affairs – SDG 4: <https://sdgs.un.org/goals/goal4>

The First Sentier Foundation awards grants to charities, organises volunteering support, and provide pro-bono support for our charity partners. Through philanthropy and employee engagement, the First Sentier Foundation aims to deliver ongoing impact to communities.

The First Sentier Foundation is led by the Head of Corporate Philanthropy and is overseen by a Global Steering Committee chaired by our Chief Executive Officer. The Global Steering Committee meet a number of times in the year to review applications for funding in line with our vision and mission. The First Sentier Foundation is also supported by Regional Committees which encourage local philanthropic activity.

First Sentier Foundation

Our vision

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

Our mission

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

What we are doing

Our charity partners
We build strategic philanthropic partnerships with charities that align with our vision and mission.

We prioritise funding⁷ for organisations that address the root causes of educational inequality, for example:

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

We also look to partner with organisations that align with our values, long-term social change goals, and are open to forging closer ties with the First Sentier Foundation via employee engagement and volunteering. Our philanthropic partnerships are also intrinsically linked to the broader work at First Sentier Investors, including in the areas of diversity, equity and inclusion, financial literacy, modern slavery and climate action.

Updates on the work of our charity partners are regularly posted on our [First Sentier Investors LinkedIn page](#).

7 The First Sentier Foundation commenced its partnership with many of the charities listed, part way through 2023. The delivery of some programs commenced in 2023, while the grants provided to some charities will only commence in 2024, although planning may have begun in 2023.



Our charity partners by region

Asia



Aidha

[Aidha](#) is based in Singapore and has a mission to empower migrant domestic workers through financial education, enabling them to generate sustainable wealth creation and transform their lives. The First Sentier Foundation awarded a grant to support 3 long-course modules that cover

foundational money management and computer skills, smart financial decision-making and planning, and entrepreneurship.



Children's Wishing Well

[Children's Wishing Well](#) is based in Singapore and provides holistic education to children from low socio-economic backgrounds. The First Sentier Foundation awarded a grant for the Children's Enrichment Program, which supports disadvantaged children from low-income families,

through academic tuition support, non-academic electives, life skill workshops, counselling and mentoring, reading club and experiential multi-disciplinary trips.

"When I first joined Children's Wishing Well, I was quiet and tried to make new friends. I also had struggles in school. Over the years, I joined Learning Journeys and workshops. Apart from that, the English and Math lessons helped in school."

– Children's Wishing Well beneficiary



Daughters Of Tomorrow

[Daughters Of Tomorrow](#) is a non-profit organisation in Singapore which seeks to empower lower income women to achieve financial independence, through programs that increase social mobility, employability, and provide access to employment opportunities. The First Sentier Foundation awarded

a grant to fund the Transformation Fund (Next Gen) bursary scheme, which provides young women financial support in their tertiary education.



Enrich

[Enrich](#) is based in Hong Kong and has a vision of empowering migrant domestic workers to transform their lives through financial education. The First Sentier Foundation awarded a grant to support several components of the Financial Education Program, including financial literacy workshops;

'Lunch and Learn' sessions for migrant domestic workers; outreach events; and financial mentoring.



Integrated Brilliant Education Limited

[Integrated Brilliant Education Limited \(IBEL\)](#) is based in Hong Kong and provides education support for underprivileged non-Chinese speaking ethnic minority children. IBEL runs tuition classes Monday to Saturdays, in small group sizes, where teachers

provide bespoke support to meet the needs of their students in learning the Chinese language. The First Sentier Foundation awarded a grant to support the salaries of teaching staff.

"The collaborative efforts and community outreach of IBEL have a significant impact on children. By providing access to educational opportunities... the organisation inspires children to think beyond their immediate environment"

– Copenhagen Institute of Interaction Design, Impact Investing Case Study on IBEL⁸

8 Copenhagen Institute of Interaction Design. [Impact Investing](#).



Australia



Ardoch

[Ardoch](#) focuses on improving educational outcomes for children and young people from disadvantaged communities. The First Sentier Foundation awarded a grant to support two programs: Broadening Horizons – incursions and excursions for students; and Education Volunteers – trained volunteers who provide in-classroom literacy support.



Australian Literacy and Numeracy Foundation

The [Australian Literacy and Numeracy Foundation](#) aims to raise language and literacy standards, particularly with First Nations, refugees, and other vulnerable Australians, through community-driven, place-based, sustainable programs. The First Sentier

Foundation awarded a grant to support Early Language and Literacy (Mid-North Coast NSW) which trains local community members to work with their own children to develop foundational language and literacy skills. The First Sentier Foundation also provided a grant for Breakfast Library at Prestons Public School, which supplied vulnerable at-risk children with regular breakfast and high-quality children’s literature.

Freedom Hub

The [Freedom Hub](#) aims to help rebuild the lives of people who have experienced modern slavery within Australia. It provides support to modern slavery survivors through its Survivor School. The First Sentier Foundation provided a grant for the Thrive Program, which builds survivors skills through courses on study skills, communication skills, IT skills, preparing for work, office skills, and money management. These are complemented by specialist trauma informed psychological support.

Indigenous Literacy Foundation

[Indigenous Literacy Foundation](#) provides remote Aboriginal and Torres Strait Islander Communities the tools and resources they request to improve their children’s literacy futures. The First Sentier Foundation awarded a grant to support three programs: Book Supply, providing books to remote Indigenous Communities; Book Buzz, providing early learning kits to remote Community playgroups; and Community Publishing, supporting the Community to write and publish their own stories in the language of their choice.



King’s Trust Australia (previously known as Prince’s Trust Australia)

[The King’s Trust Australia](#) focuses on programs that support young people, veterans, and sustainable communities through environmental and other projects. The First Sentier Foundation awarded a grant for Get Into Maritime – a program

that supports young First Nations people interested in entering the maritime industry to develop skills, gain qualifications and create employment pathway opportunities. The program is delivered in conjunction with TAFE NSW and Sea Heritage Foundation on board a ship in Sydney.



Social Ventures Australia – The Connection Digital Literacy & STEM Hub

[Social Ventures Australia](#) (SVA) delivers high impact solutions to alleviate entrenched disadvantage in Australia. Incubated out of SVA, The Connection is a convened network for high performing educators serving schools in low

socio-economic areas. Educators collaborate through a purpose-built platform, innovative workshops, and seminars. The First Sentier Foundation’s grant supports one of the hubs within ‘The Connection’ – Digital Literacy & STEM Hub. This Hub enables educators to share evidence of what works across education systems to improve Digital Literacy and STEM outcomes within their schools.

“The Connection has been the highlight of my career. It has changed me as a leader and a teacher. I have a more positive impact on teaching and learning outcomes within my school. I have made connections and built relationships with leaders from other schools that I would not have otherwise”

– The Connection beneficiary (educator)



UK and Europe

Basispoint

[BasisPoint](#) is based in Ireland and aims to address educational disadvantage by partnering with a range of organisations across the country. The First Sentier Foundation is a Premier Patron and contributes towards funding a wide range of educational programs. Current projects include early years literacy interventions, teaching training, student mentoring schemes, gamified numeracy projects, STEM workshops, entrepreneurship and financial literacy programs.



Earthwatch Europe

[Earthwatch Europe](#) is an environmental charity that helps people take action to protect the natural world around them. The First Sentier Foundation awarded a grant to support Teach Earth in the Field, an outdoor residential training weekend equipping educators with skills, knowledge and

confidence to use the curriculum to connect children with nature and take action for the environment. Earthwatch Europe focuses on working with underserved communities where their young people have inequitable access to nature.

“The impact on my class will be giving them greater agency over climate change and a deeper connection with the natural world.”

– Earthwatch Europe beneficiary (Educator)



Plan International

[Plan International](#) is a charity supporting children and girls’ rights globally. In the United Kingdom, Plan International focuses on supporting girls from disadvantaged backgrounds. The First Sentier Foundation awarded a grant to support the BOOST Bootcamp – a program

which aims to tackle gender stereotypes to champion future female leaders in STEM and Finance.

“The Boost program is an essential workshop, it highlights the inequality that exists in our society and empowers young people, and particularly girls to equip themselves with the knowledge they need to make impactful change.”

– Plan International beneficiary (Educator)



Prince’s Trust

[The Prince’s Trust](#) in the UK supports young people from disadvantaged communities facing the greatest adversity, by helping them to build the confidence and skills to live, learn and earn. The First Sentier Foundation awarded a grant to support the Achieve program, which works

with young people from areas of multiple deprivation, struggling with mainstream education and are at risk of becoming NEET (not in employment, education or training). The program consists of experiential and practical modules, delivered in small clubs by trained teachers and supported by a dedicated youth worker.



Sutton Trust

[Sutton Trust](#) is based in the UK and seeks to address educational disadvantage and promote social mobility from birth to the workplace, so that young people have a chance to succeed in life regardless of their socio-economic background. The First Sentier Foundation awarded

a grant for Pathways to Banking and Finance, a program which works with high-achieving 16 to 18 year old students from low socio-economic backgrounds to gain the skills, advice and experience to access top educational opportunities and careers.

“The Banking and Finance program had a truly incredible impact on my journey. It not only taught me about the industry, but showed me feasible routes into and around the world of banking and finance, and the great variety it offers.”

– Sutton Trust beneficiary



North America



King's Trust USA (formerly known as Prince's Trust USA)

[The King's Trust USA](#) was established to help young people transform their lives by developing the confidence and skills to live, learn and earn. The First Sentier Foundation awarded a grant to support the Enterprise Challenge in New York. The Enterprise

Challenge is a 12-week school-based program which develops entrepreneurship skills in middle and high school students through gamification and mentorship. The program is delivered in conjunction with City Year Americorp members.

"We have seen the impact of the program through the joy the students express and the entrepreneurial skills they have gained."

– Tracey, City Year New York Special Project Director



Let's Get Ready

[Let's Get Ready](#) is based in the USA and provides students who are first-generation to college and from historically economically disinvested communities with the guidance and support of near-peer coaches to help them achieve their college aspirations. The First Sentier Foundation provided

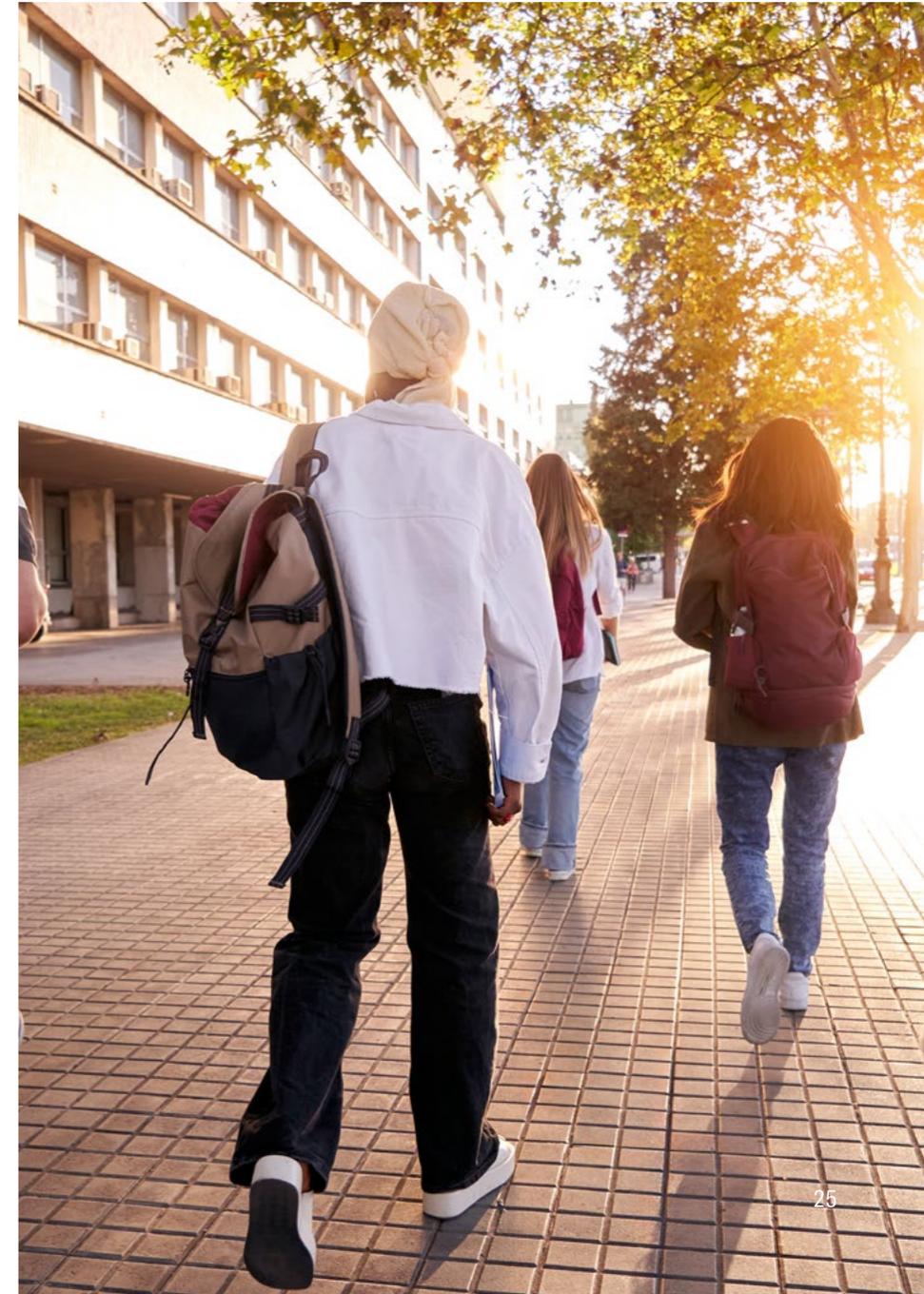
a grant to support program delivery to New York-based high school and college students to help improve their Scholastic Aptitude Test (SAT) scores, prepare for college applications, apply for financial aid, and enrol, thrive, and graduate from college.

Scholarship America

[Scholarship America](#) is based in USA and aims to eliminate barriers to educational success by providing scholarships to college students from marginalised communities. The First Sentier Foundation awarded a grant to support the Dream Award, a scholarship for students who have overcome adversity to get into college and need financial assistance to continue their educational journey.

"With the award, I also don't have to take out any loans! Being selected for the Dream Award has significantly reduced my financial stress and opened a world of opportunities for personal and academic growth."

– Scholarship America beneficiary





Our employees in the community

Workplace giving and fundraising

The First Sentier Foundation runs a number of schemes that match employee's personal donations to charitable causes they support, subject to eligibility conditions being met. Our employees are also involved in a range of fundraising campaigns for personal charitable causes and the First Sentier Foundation's charity partners, including trivia nights, auctions, fitness challenges and online campaigns. In 2023, our employees personally donated and fundraised to over 125 charities globally, which the First Sentier Foundation has matched.

Volunteering

We encourage employees to give back directly to the communities they live and work in. We provide all employees with three days of paid volunteering leave per year to volunteer with our strategic charity partners, or personal charitable causes.

In addition, our people have served on 35 charity board, trustee, committee and governance roles since 1 January 2020.⁹

Learning about the needs of our community

We regularly invite our charity partners to share the impact of their work via employee interest sessions, 'lunch and learn' events and webinars. We also share the work of our charities through the First Sentier Foundation's dedicated online community on our internal platform, Viva Engage. Through these forums, our employees learn about the needs of our local communities and hear from beneficiaries to better appreciate their challenges and achievements.

⁹ Data is based on Outside Business Activities disclosed by employees on the company's compliance portal since 1 January 2020, and may include employee who have since left the company, and non-current positions. This data may be underreported, as employees may not have disclosed charitable positions where there was no perceived, potential or actual conflict, as per the company's Conflict of Interest policy.





Case study: Global Community Month

Towards the end of 2023, the First Sentier Foundation held its inaugural Global Community Month, a campaign to encourage our people to get involved in philanthropy and give back to our local communities.

Throughout the month, employee donations to eligible charities were double matched by the First Sentier Foundation, we hosted a number of volunteering opportunities globally and held a number of employee interest sessions to raise awareness of both the needs and philanthropic initiatives in the communities in which we live, work and invest.

We also recognised Giving Tuesday by hosting a range of fundraising activities and on International Volunteer Day, we profiled our employees' volunteering efforts on our internal and external communications channels.

The campaign saw significant engagement from our people:

- Employee donations and fundraising campaigns supported 60+ charities
- Over 15% of employees volunteered at least once or participated in a fundraising activity
- 20+ volunteering opportunities facilitated
- 6 employee interest sessions were held

Our volunteering and fundraising experiences:

Volunteering

"I, alongside Trent, Andrea, Kirstie, Shelley and Stuart, had the incredible opportunity to conduct mock interviews for Year 10 students from Cabramatta High School. This was a particularly meaningful experience for me. Eight years ago, I was in the exact same position as these students... Being able to understand and connect with the students on a deeper level, knowing exactly how they felt, made this volunteering experience unique and personal. It was inspiring to see the enthusiasm and potential in each student, reminding me of my own journey and how much this program helped shape my path into the workforce."

– Sidra, First Sentier Investors (Sydney)

"It was so exciting to tutor at our charity partner Integrated Brilliant Education again, this time with my colleagues Mary, Damien and Becky! I was overjoyed to meet the student I tutored last week. It's a meaningful opportunity to give a hand to the non-Chinese speaking kids as well as understand their needs."

– Gladys, First Sentier Investors (Hong Kong)

"Our task for the day was to complete electrical testing of power leads for laptops from the pallets... over the day we managed to clear 3 pallets of laptops which was around 300 laptops which would eventually be placed in another container and be bound for Malawi."

– Scott, First Sentier Investors (Edinburgh)

Fundraising

"This is the second time I have participated in the Movember campaign and it is important to me as often men's health can be overlooked. This is a great way to raise awareness and funds to help support those impacted by Prostate cancer, Testicular Cancer and Mental Health issues."

– Niall, First Sentier Investors (London)

"The unmissable party was Hong Kong's annual Oxfam Maclehole Trailwalker event; where 850 teams and 3,400 people in teams of four aim to walk the distance, with 5000m of elevation to keep it real, in less than forty-eight hours. And so Maggie, Sara, Keith and I set off at 8am, aiming for a sub-twenty-four hour time...And we made it! Mashed-feet, sore muscles and aching joints aside; we did it as quickly as we could in twenty hours and thirty minutes. The money raised is for poverty alleviation, here in HK, as well as elsewhere. We have been supporting the cause for over a decade. It's a whole team effort, throughout the day and night, with a rotating cast of support and crew members from across the entire office."

– Richard, FSSA Investment Managers (Hong Kong)

"3,000 Squats in November Challenge to help raise money for the UK charity, Sands. Not only is this a charity close to my heart, the challenge itself genuinely helps me as I have to ensure I keep my muscles strong to help my body compensate for the lack of joint support that comes with having Ehlers Danlos Syndrome"

– Debbie, First Sentier Investors (Edinburgh)



Our future plans

In 2024, we intend to:

- Enhance and introduce new matching schemes for our employees, which will include updating and refining the scheme criteria, and restructuring schemes for personal donations, fundraising, and match donating volunteering days.
- Deepen our relationships with our existing strategic charity partners to find more ways to provide support beyond grants. We will also conduct a survey to understand their needs better and improve how we interact with and support our strategic charity partners to create impact.
- Continue enhancing opportunities for collaboration amongst our strategic charity partners, including holding a forum to connect our strategic charity partners on key issues, themes and collaboration opportunities.
- Continue to collaborate with other parts of our business by introducing our strategic charity partners to relevant initiatives that are led by the Responsible Investment and Corporate Sustainability teams.
- Increase the number of employees who have volunteered to at least 22% and maintain similar level of donations and fundraising by employees, to what we achieved in 2023.



07 | DE&I



20% increase in the number of **men taking parental leave** since the launch of our gender-neutral policy



Development of **purpose-designed inclusion spaces** for breastfeeding and expectant parents within key offices.



85% response rate in **2023 engagement survey** with an overall score of 7.7 and DEI score of 8.1!



Launched a dedicated **Diversity Festival** with learning events attracting **400+ attendees**.



Built a **dashboard** to report **diversity metrics** for internal reporting

Please refer to page 30 for footnote reference





07 | DE&I

Why is it important to us?

As a global organisation, we value the impact a diverse and inclusive culture has on our business, how it can inspire us to be more connected and collaborative and drive us to deliver better results for our clients.

As long-term investors, we know that the decisions we make today, impact communities today, tomorrow and in years from now. That is why it is imperative that we have a focused and long-term approach to building diverse teams where different perspectives and experiences can lead to better decisions and outcomes. We apply this focus both in the companies in which we invest, and internally within our own business.

Our Diversity, Equity and Inclusion (DE&I) strategy is fundamental to our business priorities. By implementing this strategy across the business, our aim is to deepen the impact of our efforts and raise awareness of inclusion as a driver of business success.

We acknowledge the value of both lived and learned experiences and their role in shaping our perspectives, beliefs and behaviours. By creating a culture of inclusivity, our people have greater opportunity to reach their full potential and our business benefits from the rich diversity of thought and experience.

Our DE&I strategy comprises four key pillars:

| | | | |
|--|--|---|--|
|  <h3>Belonging</h3> <p>Fostering an inclusive culture Our leaders are role models and our people are empowered to make positive change.</p> <p>Our people engage and collaborate through our employee communities focusing on issues that are important to them.</p> <p>Our people care about each other and value our differences, and they feel safe to be who they are at work.</p> |  <h3>Equity</h3> <p>Levelling the playing field Our people experience equity and fairness in the workplace. This includes their experiences with recruitment, promotion, pay and access to leave.</p> <p>Our intent is to level the playing field for all.</p> |  <h3>Engaging</h3> <p>Helping our people engage and understand Our people understand ‘the why’ of DE&I and its importance at First Sentier Investors. There is clarity on our goals and objectives and transparency on how we will measure progress and success.</p> <p>We will also seek input and feedback from our people on how we are progressing.</p> |  <h3>Alignment</h3> <p>Connected with our Responsible Investment and Corporate Sustainability principles Our DE&I work is core to developing our culture of Corporate Sustainability, and forms a core component of our Responsible Investment principles.</p> <p>We engage with the companies we invest in on DE&I and in our interactions with other stakeholders.</p> |
|--|--|---|--|

1 Workday Peakon Employee Voice – Financial Services Benchmark. The industry benchmark contains companies of that industry, from various countries. Industry benchmarks are updated each quarter based on the last 12 months.



What we are doing

Our targets

It is important that our employees have clarity on our goals and objectives, with transparency on how we measure progress and success. Targets are an important way of demonstrating our commitment and holding ourselves accountable to our action plan.

While we have made some progress, we recognise that there is more work to be done in developing a sustainable pipeline of diverse talent at every level of our business. Based on the anticipated transition of independent non-executive directors, combined with a change in First Sentier Investors representation on the FSIH board in early 2024, it is unlikely that we will achieve the 40% target by the start of 2025. This remains a critical goal and efforts will continue to support this target given the level of influence this plays in our overall DE&I strategy.

We recognise that there is more work that needs to be done in developing a sustainable pipeline of diverse talent at every level of our business.

Figure 9: Our DE&I targets and progress

| Target | 2023 Progress (as at 31st Dec 2023) ² | 2022 Progress (as at 31st Dec 2022) |
|---|--|---|
| To increase the diversity of our workforce within First Sentier Investors, as seen in the annual Diversity Census, over 2022 to 2025 | We run the Diversity census every two years. The next Census will be held in November 2024 | In 2022, we increased our diversity profile from 2021 in a few areas ³ |
| 40% Female representation on the First Sentier Investors Holding Pty Limited Board by 2025 | 37.5% | 37.5% |
| 40% Female representation on our Executive Leadership team by 2025 | 31% | 25% |
| 40% Female representation on our Subsidiary Boards | 35.6% | 35.6% |
| 40% Female representation in Senior Management⁴ roles by 2027 | 39.3% | 37.8% |
| 40% in Investment Management roles⁵ by 2033 | 36.1% | 35.8% |
| Increase the DE&I score in the annual engagement survey to be at the midpoint of Finance sector by 2025 | In 2023, we maintained a midpoint score within the Finance Sector ⁶ | In 2022, we moved from the bottom to midpoint benchmark for Finance sector |
| Increase the participation rate of the Diversity Census to be at 70% by 2025 | The Census was not conducted in 2023, it will run again in 2024 | 68% in 2022 (+3% from 2021) |

- 2 This data is as at 31st December and does not represent changes between the start of 2024 and the date of this report. The anticipated transition of independent non-executive directors, combined with a change on the FSIH board in early 2024 (resulting in a reduction of female representation on the FSIH Board to 25%), means it is unlikely that we will achieve the 40% target by the start of 2025.
- 3 Refer to the infographic on page 30 of the [First Sentier Investors 2022 Corporate Sustainability Report](#) for further information.
- 4 This includes roles which are Executive Leadership Team minus up to two levels within the organisational hierarchy, with significant responsibilities, excluding administrative roles.
- 5 This includes investment roles such as portfolio managers, analysts, and those that support them directly, but excludes administrative support roles.
- 6 Workday Peakon Employee Voice – Financial Services Benchmark.



Progress towards our DE&I Strategy in 2023



Belonging

Leadership Fundamentals program

During 2023, in collaboration with external leadership facilitators, we designed a bespoke Leadership Fundamentals program to upskill and empower our people leaders to foster a more inclusive and high-performing organisational culture.

The program is tailored across two levels of leadership experience and following a successful pilot in 2023, the first cohorts will complete the 6-month program during 2024. This program builds on the Inclusive Leadership program that our Executive Leadership team participated in during late 2022 and into early 2023.

LinkedIn Learning Program

We have curated a dedicated DE&I LinkedIn Learning collection, designed to help our people navigate the evolving workplace and their role in fostering an inclusive culture at First Sentier Investors. Available to all employees, learning is delivered by experts with practical tips on real life situations, how to manage mistakes and what great allyship really looks like. Topics include confronting bias; inclusive mindset; becoming an ally to all; and unconscious bias.

Employee Communities

Neurodiversity champions program

An initiative of the Neurodiversity Employee Community, this program provided training for volunteer team members in the UK, Europe and Asia, to understand the variations of neurodiversity, typical behaviours and ways to enhance the employee experience for neurodiverse individuals.

As Champions, this cohort acts as a support resource for the business, providing knowledge and guidance as well as advocating for neurodiverse talent in the workplace.

Disability Confident

To support our goal to be a more inclusive employer and providing greater accessibility, we are preparing for accreditation in 2024 through the Disability Confident employer scheme, an initiative of the UK Government, encouraging employers to take action to improve how they recruit, retain and develop people with a disability.

Employee Community Events

Key cultural learning and development sessions were held to build awareness on various DE&I characteristics across the company. These included Mental Health Month; International Day of Persons with a Disability; Pride Month; Neurodiversity Celebration Week; Women's and Men's Health; Black History Month and Caregiver Wellbeing.



Equity

Gender neutral parental policy

We recognise that becoming a new parent is a significant experience for many of our employees. To ensure we provide our people with support at this important stage of life, we developed an enhanced parental policy. Our global policy applies to all employees with new births, surrogacies, adoptions, and long term or permanent fostering arrangements regardless of gender, sexual orientation or how one becomes a parent. The policy offers 26 weeks' paid leave with access to parental coaching and support for return to work, in addition to care for stillbirth, miscarriage and medical requirements. We also provide free coaching for all new parents to assist with managing parental responsibilities and the transition back to work from leave.

Since the introduction of the new parental leave policy, we have seen a positive increase in the number of men taking leave. In 2023, a total of 55 employees took parental leave; 47% male and 53% female.

Diversity reporting

We have built a DE&I dashboard to collate data from both our diversity census and Human Resources platform, displaying this in real time for team leaders. This has allowed us to more closely monitor changes in team diversity, with the ability to provide relevant interventions as required. The data can be viewed across teams, locations and levels with gender and tenure profiling. These DE&I updates are provided to the FSIH Board and the Executive Leadership Team as required.

Pay equity analysis

We have developed a pay equity strategy outlining our approach and roadmap to pay equity across our business.

The strategy covers the implementation of these processes:

- An annual like-for-like pay equity analysis to identify pay gaps, with rectification measures taken in the annual remuneration review cycle.
- A focused approach to embedding pay equity analysis into business remuneration decisions such as recruitment, promotions and transfers.
- A long-term focus on performance and talent processes including more targeted hiring and promotion of women into senior leadership and investment roles.
- Enhancements to the pay equity processes to cover diversity of our workforce.



Gender pay gap reporting

As part of our regulatory requirements, we conduct annual gender pay gap reporting in the UK and Australia. Gender pay gap refers to difference between average earnings of women and men in the workforce. Our most recent UK Gender Pay Gap report can be found on our [website](#) and our latest Workplace Gender Equality Agency (WGEA) report for Australia can be accessed via the [WGEA data explorer](#).

Recruitment and on-boarding

We have commenced an inclusive recruitment review designed to build diversity principles into recruitment processes, diversifying the talent pool of potential candidates and increasing overall workforce diversity.

First Nations reconciliation in Australia

The Voice to Parliament

In October 2023, Australia held a referendum known as the ‘Voice to Parliament’ or ‘The Voice’, which proposed an Australian federal advisory body be established, comprising of Aboriginal and Torres Strait Islander people, to represent the views of Indigenous communities.

First Sentier Investors supported The Voice⁷ and leading up to the referendum, we held a ‘lunch and learn’ information session, hosted by representatives from First Nations communities who shared their insights on what The Voice could mean for all Australians.

While the outcome of the referendum was to vote against the establishment of a Voice to Parliament, as an organisation, we remain committed to progressing our efforts towards reconciliation in line with our belief that a united Australia is one where every individual has equitable access to services that support communities to thrive, and this importantly includes First Nations peoples.

Reconciliation Action Plan

In 2023, we held a focus group inviting our employees to explore what our business can do to support reconciliation and based on input from this group and engagement from our Executive Leadership Team and FSIH Board members, we commenced the development of a “Reflect” Reconciliation Action Plan.

A Reconciliation Action Plan will provide a framework for us to take meaningful action to advance reconciliation in how we operate as a business and in the work we do for our clients.

Our Reconciliation Action Plan will be submitted to Reconciliation Australia for approval, in 2024.



Engaging

Engagement Survey

In 2023, we ran our annual engagement survey which allows us to regularly assess the impact of our work, to provide an indication as to whether the initiatives we put in place are fostering an inclusive culture where people feel valued and supported to succeed. Some highlights from this survey are included in the infographic on page 29, however the verbatim comments from employees acknowledged progress made in respect to DE&I and provided invaluable insights into where our employees believe we need to focus in the coming years.

Diversity Festival

In September 2023, we held the inaugural Diversity Festival. The 2-week festival featured a series of global events with external thought leaders, members of our Employee Communities, and individuals from our wider global First Sentier Investors workforce. Further information is included in the case study on page 35.

Communications

Our Employee Community Leads and members, Executive Sponsors and Steering Committee members all play a role to advocate and communicate the progress, opportunities and challenges we face in implementing our DE&I strategy.

Our CEO provides a regular update to all employees on our progress against our DE&I targets at the Quarterly Business Review town hall, which includes the opportunity for an open question and answer forum with members of our Executive Leadership Team.

7 https://www.linkedin.com/feed/update/urn:li:activity:7101799192330735616?utm_source=share&utm_medium=member_desktop



Alignment

Alignment with our First Sentier Foundation strategic partners. Much of our work in the community through the First Sentier Foundation supports people who do not have access to equal opportunity and is intrinsically linked to DE&I. For example, in Australia, our strategic charity partners Indigenous Literacy Foundation, Australian Literacy and Numeracy Foundation and The King's Trust Australia support First Nations peoples. In Asia, our strategic charity partner IBEL, supports children from non-Chinese speaking ethnic minority backgrounds. In EMEA, our partnership with Plan International focuses on supporting young women and girls, and Sutton Trust works to improve socio-economic mobility in the UK. In North America, The King's Trust USA targets their work in areas of lower socio-economic wealth.

For more details about our First Sentier Foundation charity partners, please see page 22.

Consultation on industry regulations

As part of our commitment to maintaining industry standards, we have contributed to a wider industry submission in response to the Financial Conduct Authority (FCA) consultation to introduce a new regulatory framework on diversity and inclusion in the financial sector. We have also contributed to the Financial Services Skills Commission member survey, to provide insight into the evolving skills required for our business and the financial services industry.

2023 partnerships and industry collaborations

Financial Services Skills Commission (UK)

We are a founding member of the Financial Services Skills Commission. The commission aims to work across the industry to ensure that businesses have the talent and skills they need for the future – this includes widening access to talent and promoting diversity, equity and inclusion.

InterInvest (UK)

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

Investment 20/20 (UK)

We are members of Investment 20/20, a scheme established to bring a wide range of talent into all aspects of investment management. As corporate members since 2013, we have recruited and trained a number of school leavers and university/college graduates to support their ongoing career planning and development. We have also supported the program by participating at career events and providing speakers at various trainee workshops.

Surrey Cricket Foundation (UK)

We have been partners with the Surrey Cricket Foundation Disability Cricket Program since 2015. This program aims to increase participation in cricket for people with disabilities. We support several of their professional teams including the Surrey Pan-Disability and Visually-Impaired squads, and have invited them to provide various employee education sessions on disability and inclusion.

30% Club (Australia and Ireland)

We are members of the Australia and Ireland Chapters of the global 30% Club, a business-led campaign supported by Board Chairs and CEOs of medium and large organisations, committed to achieving better gender balance at leadership levels for better business outcomes.

Financial Services Council – Women in Investment Management Charter “FSC WIM” (Australia)

We are a member of the FSC and participate in the Diversity committee through regular meeting attendance and survey participation. As a signatory to the FSC WIM, we have adopted a gender diversity target to have women represent at least 40% of our investment management employees in Australia by 2033.

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

Future Females in Finance (F3) (Australia)

We have continued our partnership with F3 to support young women in actively considering a career in finance. This included providing a structured work placement program to four high school students to understand career pathways in investment management. In 2023, we ran a six-week project with Igneo Infrastructure Partners, where students were mentored by leaders across the firm, working on a key business project to develop skills and understanding of investment management.

40:40 Vision (Australia)

We participate in the 40:40 Vision with representation on the Steering Committee. 40:40 Vision is an initiative led by HESTA Superannuation fund, seeking to achieve gender balance in executive leadership across all ASX300 companies by 2030. 40:40 stands for 40% identifying as women; 40% identifying as men; 20% identifying as any gender.



Case study:

Gender-neutral parental leave policy

In April 2023, we launched our global gender-neutral parental leave policy. This refreshed policy applies to all employees with new births, surrogacies, adoptions, and long term/permanent fostering arrangements regardless of gender, sexual orientation or how one becomes a parent. It also applies to employees who are surrogates.

The key enhancements to our policy included:

- **Removed the distinction between primary and secondary carer:** We provide the same parental leave entitlements to all parents. We believe, that by providing and encouraging equal access to the leave entitlement for all parents, this helps to break down gender stereotypes around unpaid and paid work.
- **Increased the flexibility in taking leave:** Employees are able to take parental leave in up to three blocks during the first 18 months from birth or placement date. By providing greater flexibility for employees, it can be tailored to their personal needs and balance any time off their partners may have.
- **Enhanced our paid leave entitlements:** Our paid parental leave entitlement has been enhanced to 26 weeks full pay for employees, and this is available to all parents. This can also be taken as half pay over 52 weeks.
- **Globalised our approach to employer pension contributions:** We provide employer pension/superannuation contributions for any unpaid portion of parental leave (subject to any local pension/superannuation rules). This was previously in place for some of our locations, but we have introduced this

across all of our locations. By enhancing our approach, we believe that we can help to narrow the [pension gap](#), typically faced by women who tend to take extended time out of work.

- **Free parental coaching:** We provide all new parents free parental coaching. This supports them with their transition from leave back into the workplace, and provides them bespoke advice and support with balancing parental responsibilities and work.

I'll be home by bath time

"Following the birth of our first child this was not an uncommon message that I would send my wife as the end of the day approached.

Fast forward to our second child, and I had made arrangements to utilise the new parental leave policy giving me what felt like a very generous amount of time off. I had looked after my daughter single-handed on occasions in that first nine months but, with the benefit of hindsight, I now realise that my wife had done the heavy lifting.

As my time with my daughter drew towards a close, it came with it an unexpected feeling, one of anxiety at returning to work and what that meant. I am endlessly supported by those around me and work in a very psychologically safe environment. And yet, despite being the happiest I have ever been in employment, here I was nervous about returning to work. What if they had identified my role was no longer required? Or that they had found other functions had been better placed to discharge some of my responsibilities? I felt like something of a fraud; I hadn't been pregnant, I hadn't really done the heavy lifting and yet here I was getting all of this time off to spend with my daughter. Was I feeling imposter syndrome?

What the extended parental leave policy gave me was growth and perspective. Not all of it comfortable, but it is definitely invaluable:

- *Simply being able to forge a genuine and lasting bond with my daughter when she was at such a critical stage of development feels like a real gift, and one that I will be eternally grateful to my employer for.*
- *My parental leave allowed my wife to more readily return to the workforce without the feelings of worry that would have likely accompanied alternative options such as daycare.*
- *My appreciation for the very real feelings of anxiety that can coincide with a return to work and how I can harness that lived experience to lessen such feelings for those parents that return to work in years to come. This has also had a benefit in my being more understanding of my wife's feelings of anxiety on this front.*
- *I now have no illusions as to how hard life at home with children is.*
- *It has made my household a far more egalitarian landscape; no longer are certain activities the preserve of 'mum' simply because she's better at them because she's done them more often.*
- *It allowed [or forced] me to give my team additional responsibility to ensure the wheels kept turning in my absence. No longer could I fall back on the 'I'll just do this because it is easier than showing someone else'. My absence and subsequent return has made my team and my function more resilient.*

I am fantastically grateful to the organisation for the provision of this policy, my leadership for being fully supportive of my wholehearted engagement with the policy, and my team for stepping up to cover my absence.

The whole experience has been incredibly life affirming and I absolutely adored the time I had with my daughter, the bond we developed and all that our time together entailed".

– Craig, Stewart Investors (Sydney)



Case study: 2023 Diversity Festival

Our inaugural Diversity Festival was introduced with the objective of inspiring, educating, and challenging our understanding, as well as increasing our advocacy and action for DE&I at First Sentier Investors.

Throughout the two-week festival, a variety of virtual, hybrid and in-person events and activities took place across our offices globally. These events and activities featured external thought leaders as well as members from our global workforce. The topics were shaped around the focus areas of our Community Groups, including LGBTQ+, disability, gender, socio-economic backgrounds, ethnicity, neurodiversity and mental health and wellbeing.

A sample of the events included:

- LGBTQ+ Allyship in a global business
- Disability in sport
- Shifting Perspectives: Male postnatal depression and embracing men's role in parental leave
- Socio-economic Community impact video
- Meet the chef: celebrating our diverse cultures
- Neurodiversity Champions Program
- Caregiver wellbeing workshop
- R U OK? panel
- Reconciliation and the Voice to Parliament information session

These events recorded a total attendance of more than 400 people globally. Feedback indicated the topics and sessions provided valuable insights and opportunity for our teams to discuss and develop broader diversity knowledge.

The Neurodiversity Champions Program continues to provide guidance and a 'safe space' for people to talk through challenges with colleagues who have been trained to offer support.

Key themes from the Festival will continue to lead our Employee Community engagement and further development of training opportunities.

'The connection, the ideas and the shared commitment within the Disability community are essential to achieving our ambition of building a more inclusive culture and environment at First Sentier Investors.'

- Claire, Co-Lead, First Sentier Investors Disability Community



Our future plans

In 2024, we will continue to embed our DE&I Strategy, which will include:

- Conducting a DE&I Census, targeting a response rate above our 2022 census, of 68%.
- Submitting our 'Reflect' Reconciliation Action Plan to Reconciliation Australia for approval in 2024, and continuing to work on improving our awareness of First Nations culture and educating ourselves on meaningful actions that we can take to contribute towards reconciliation in Australia.
- Exploring opportunities to benchmark our progress with industry recognition or certifications.
- Continuing the implementation of our Leadership Fundamentals program to embed inclusive leadership skills across all people managers and leaders.
- Developing training and compliance to address psychosocial safety issues, integrating key leadership skills into workplace behaviours and culture.
- Continuing to review hiring practices to ensure an inclusive and engaging candidate experience.



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08 | Corporate reporting

Read more about the actions we are taking through our corporate and investment team reporting by clicking on the images below:



[First Sentier Investors Responsible Investment Report 2023](#)



[First Sentier Investors Climate Change Statement](#)



[First Sentier Investors Climate Change Action Plan](#)



[Stewart Investors Annual Review 2023](#)



[First Sentier Investors UK Gender Pay Report 2022-2023](#)



[First Sentier Investors Stewardship Report 2023](#)



[First Sentier Investors Modern Slavery Statement 2023](#)



[FSSA Investment Managers Environmental, Social and Governance Report 2023](#)



[2023 Igneo Infrastructure Partners Global Responsible Investment Report 2023](#)



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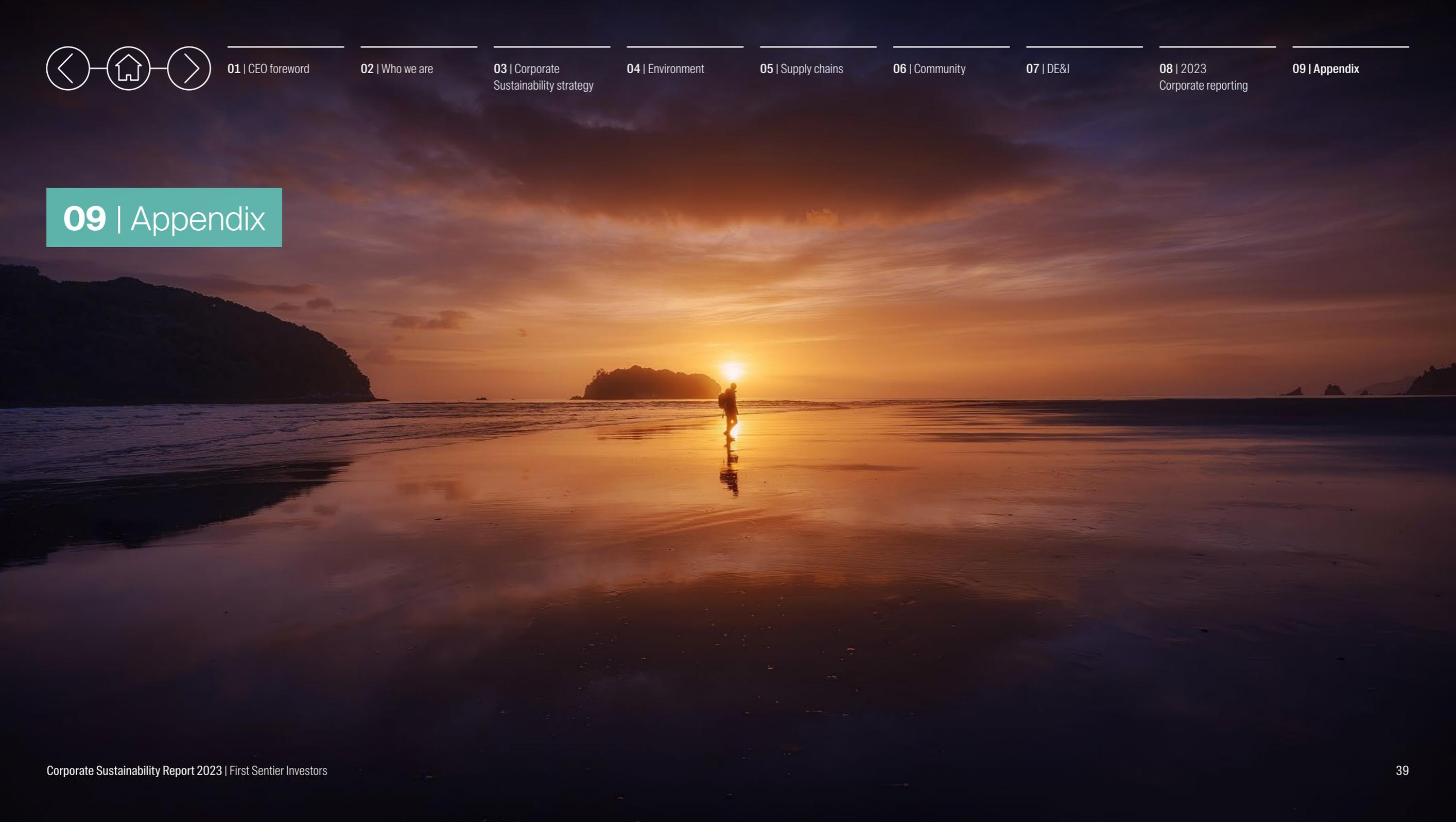
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About our emissions calculations

Organisational Boundaries

First Sentier Investors applies the concept of operational control to guide our environmental data and disclosure.

For Scope 1 and 2 emissions, we include coverage of energy consumption for First Sentier Investors corporate offices and data centres, defined as:

- Office tenancies leased and occupied by First Sentier Investors, including serviced offices.
- Office buildings where we lease, occupy and manage the building.
- On-site data centres where they are located within our office premises and First Sentier Investors has oversight of electricity consumption.

AlbaCore were excluded for 2023. Please see below for further context.

Note on the acquisition of AlbaCore Capital Group

On 20 March 2023, the Group entered into a strategic partnership with AlbaCore Capital Group. The transaction involved the Group taking a 75% interest in AlbaCore Capital Group Limited, a company domiciled in the Republic of Ireland, which in turn acquired a 100% interest in AlbaCore Capital Limited, a company also domiciled in the Republic of Ireland.

The transaction completed on 14 November 2023 following receipt of all required regulatory approvals.

While 2023 reporting does not include AlbaCore due to the transaction being completed towards the end of 2023, our intention is to include their operational emissions in future reporting.

Scope 1 and 2

| Category | Description | Data source | Units |
|-----------------------|---|-------------------------|-------|
| Diesel | Deemed immaterial | N/A | N/A |
| Natural Gas | Direct emissions from stationary combustion of natural gas within our commercial office. | Metered and billed data | kWh |
| Purchased Electricity | Indirect emissions from electricity procurement used by commercial office properties, including on-site data centres billed to First Sentier Investors. | Metered and billed data | kWh |
| Refrigerant | Deemed immaterial | N/A | N/A |
| Steam | Indirect emissions from steam generation used for heating our New York facility. | Billed data | Millb |
| Vehicle Fleet | Deemed not applicable, as First Sentier Investors does not own any car fleet. | N/A | N/A |

Scope 3

| Category | Description | Data source | Units |
|--|--|---|--|
| Category 1 Water (business operations) | Indirect emissions from water consumed within our office operations. | Building or tenancy reporting. Metered and billed data, where available | kL, Cubic metres |
| Category 1 Purchased goods and services | Indirect emissions from the purchase and consumption of goods and services by our 3rd party suppliers. | Expense reports | AUD |
| Category 3 Fuel and energy related activities (not included in Scope 1 or 2) | Indirect emissions associated with the generation of electricity purchased and natural gas that are consumed in transmission and distribution. | Emissions calculated from relevant Scope 1 and Scope 2 | kWh |
| Category 5 Waste (business operations) | Indirect emissions from waste generated within our office operations. | Building or tenancy reporting, where available. | Kg |
| Category 6 Business travel – air | Indirect emissions from business flights. | Travel reports (Flights) | Flight ticket class, airport codes, km |
| Category 6 Business travel – hotel accommodation | Indirect emissions from business hotel accommodation. | Travel Reports (Accommodation) | Country, number of nights |
| Category 6 Business travel – rail | Indirect emissions from business rail journeys. | Travel Reports (Rail) | Km |
| Category 6 Business travel – car hire | Indirect emissions from business car hire. | Travel Reports (Car Hire) | Days hired, size of vehicle |



| Category | Description | Data source | Units |
|---|---|-------------------------------------|--------------------|
| Category 7 Employee commuting and telecommuting | Indirect emissions from employee commuting to the office. | Annual Employee Commuting Survey | Km, mode of travel |
| Category 8 Purchase electricity – data centres | Indirect emissions from the electricity in our global data centres not under our operational control. | Reporting from data centre operator | kWh |

Calculations and emissions factors

Scope 1 and 2

| Category | Calculation methodology notes | Emission factor resources |
|-----------------------------|--|---------------------------|
| Electricity | Emission factors for electricity reference published regional emissions factors from International Energy Agency (IEA), government and utility publications. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that the company has purposefully chosen. This takes into account our procurement of renewable electricity. It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims. | IEA emission factors |
| Natural gas | Emission factors for natural gas reference published regional emissions factors from UK DEFRA. | UK DEFRA |
| Thermal energy (steam/heat) | Emission factors for thermal energy (steam/heat) reference published regional emissions factors from International Energy Agency (IEA). | IEA emission factors |

Scope 3

| Category | Calculation methodology note | Emission factor resources |
|---|---|---------------------------|
| Upstream | | |
| Category 1 Purchased goods and services | Emissions from purchased goods and services were calculated using GHG Protocol's spend-based methodology which considered the spend amount from our financial ledger, and US EEIO emission factors. Emissions from water were calculated using GHG Protocol's average-data methodology which considered the water consumption (m3) for each office and the UK DEFRA emission factors for water supply. Water Data was available for the following offices: <ul style="list-style-type: none"> • Singapore (Duxton Rd) • Singapore (Robinson Rd) • Sydney (Barangaroo) • Edinburgh • Melbourne (80 Collins) Where data was not available, regional estimates were used from known First Sentier Investors offices. | EEIO UK DEFRA |



| Category | Calculation methodology note | Emission factor resources |
|--|---|---------------------------|
| Category 2 Capital goods | Deemed not relevant to First Sentier Investors business operations. Capital goods spend are captured in Category 1 – purchased goods and services above. | N/A |
| Upstream | | |
| Category 3 Fuel and energy related activities | Emissions from the generation, transmission and distribution (T&D) losses for the consumed fuel and energy, were calculated using GHG Protocol's average-data methodology which considered the fuel and electricity consumption (kWh) for each office, IEA emission factors for country specific T&D losses, and UK DEFRA emission factors for upstream electricity generation calculations. | UK DEFRA |
| Category 4 Upstream transportation & distribution | Deemed not relevant to First Sentier Investors business operations. | N/A |
| Category 5 Waste generated in operations | Emissions from waste were calculated using GHG Protocol's average-data methodology which considered the waste production (mass) for each office, the disposal method (i.e. recycle, landfill), and the UK DEFRA emission factors for waste disposal. Waste Data was available for the following offices: <ul style="list-style-type: none"> • Sydney (Barangaroo) • Edinburgh • Melbourne (80 Collins Street) Where data was not available, company / global estimates were used from known First Sentier Investors offices. | UK DEFRA |
| Category 6 Business travel | Emissions from business travel (air, rail, hotel accommodation, and car hire) were calculated using the GHG Protocol. UK DEFRA emission factors were used to calculate the emissions. Air emissions are calculated using the distance-based method which considers the distance travelled between destinations, flight haul definition and cabin of travel. Rail emissions are calculated using the distanced-based method which consider the distance travelled between destinations. Hotel accommodation emissions are calculated using the number of nights, and country of stay. Car hire emissions are calculated using the number of days, size of vehicle, and assumes a 100km daily drive distance. | UK DEFRA |
| Category 7 Employee commuting and telecommuting | Emissions from employee commuting and telecommuting were calculated using GHG Protocol's distance-based method, which involves collecting data from employees on commuting patterns and applying appropriate emission factors for the modes used. A survey was sent to all FSI employee's to collect this data which allowed employee's to respond with up to two modes of transportation, the distance travelled, the mode used for commuting, and the number of days spent commuting per year. The number of days employee's telecommuted, were determined by assuming an average number of working days of 200 days per year and subtracting the number of days spent commuting. All responses were scaled to match the net number of employee's at each office. UK DEFRA emission factors were used to calculate the emissions for each commuting method, as well as telecommuting emissions, which utilised the emission factor that considers office equipment and heating emissions. | UK DEFRA |



| Category | Calculation methodology note | Emission factor resources |
|--|---|---------------------------|
| Category 8 Upstream leased assets | In 2022, our data centres provided us details of the electricity consumption allocated to our organisation, as well as an indication of whether the electricity consumption was from a renewable or non-renewable resource. For renewable energy, we considered the emissions for this electricity consumption as zero, and for non-renewable energy, IEA emission factors and the respective electricity consumption were used to calculate emissions. Data has not yet been received for 2023, thus the 2022 data has been used as we expect this to be relatively consistent year on year. | IEA emission factors |
| Downstream | | |
| Categories 9 to 14 | Downstream emissions in categories 9 to 14 were deemed not relevant to First Sentier Investors business operations. | N/A |
| Category 15 Financed emissions | First Sentier Investors financed emissions are reported separately and are available on our website: Climate change | N/A |

Biogenic emissions

| Category | Calculation methodology notes | Emission factor resources |
|------------------|---|------------------------------------|
| Green Gas | Emission factors for green gas reference utility-provided emission factors. | Utility-published emission factors |



Important Information

This material is for general information purposes only. It does not constitute investment or financial advice and does not take into account any specific investment objectives, financial situation or needs. This is not an offer to provide asset management services, is not a recommendation or an offer or solicitation to buy, hold or sell any security or to execute any agreement for portfolio management or investment advisory services and this material has not been prepared in connection with any such offer. Before making any investment decision you should consider, with the assistance of a financial advisor, your individual investment needs, objectives and financial situation.

We have taken reasonable care to ensure that this material is accurate, current, and complete and fit for its intended purpose and audience as at the date of publication. To the extent this material contains any measurements or data related to environmental, social and governance (ESG) factors, these measurements or data are estimates based on information sourced by the relevant investment team from third parties including portfolio companies and such information may ultimately prove to be inaccurate. No assurance is given or liability accepted regarding the accuracy, validity or completeness of this material and we do not undertake to update it in future if circumstances change.

To the extent this material contains any expression of opinion or forward-looking statements, such opinions and statements are based on assumptions, matters and sources believed to be true and reliable at the time of publication only. This material reflects the views of the individual writers only. Those views may change, may not prove to be valid and may not reflect the views of everyone at First Sentier Investors.

To the extent this material contains any ESG related commitments or targets, such commitments or targets are current as at the date of publication and have been formulated by the relevant investment team in accordance with either internally developed proprietary frameworks or are otherwise based on the Institutional Investors Group on Climate Change Paris Aligned Investment Initiative framework. The commitments and targets are based on information and representations made to the relevant investment teams by portfolio companies (which may ultimately prove not be accurate), together with assumptions made by the relevant investment team in relation to future matters such as government policy implementation in ESG and other climate-related areas, enhanced future technology and the actions of portfolio companies (all of which are subject to change over time). As such, achievement of these commitments and targets depend on the ongoing accuracy of such information and representations as well as the realisation of such future matters. Any commitments and targets set out in this material are continuously reviewed by the relevant investment teams and subject to change without notice.

About First Sentier Investors

References to 'we', 'us' or 'our' are references to First Sentier Investors, a global asset management business which is ultimately owned by Mitsubishi UFJ Financial Group. Certain of our investment teams operate under the trading names AlbaCore Capital Group, FSSA Investment Managers, Stewart Investors, RQI Investors and Igneo Infrastructure Partners, all of which are part of the First Sentier Investors group.

We communicate and conduct business through different legal entities in different locations. This material is communicated in:

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