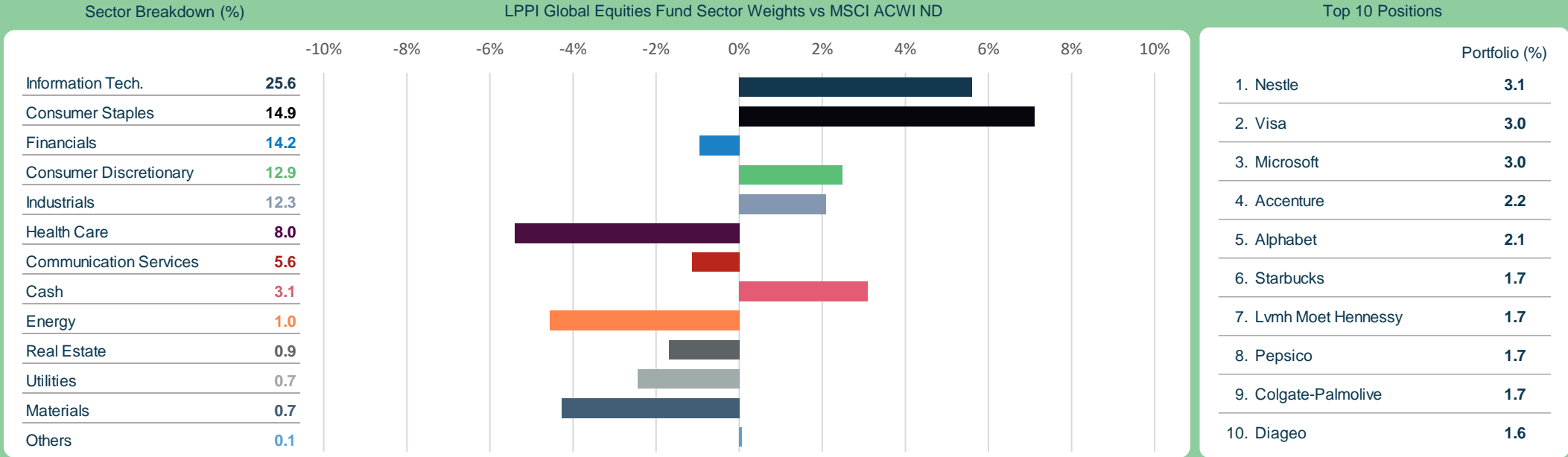


# Responsible Investment Dashboard Q4 2022

## 1. Portfolio Insights

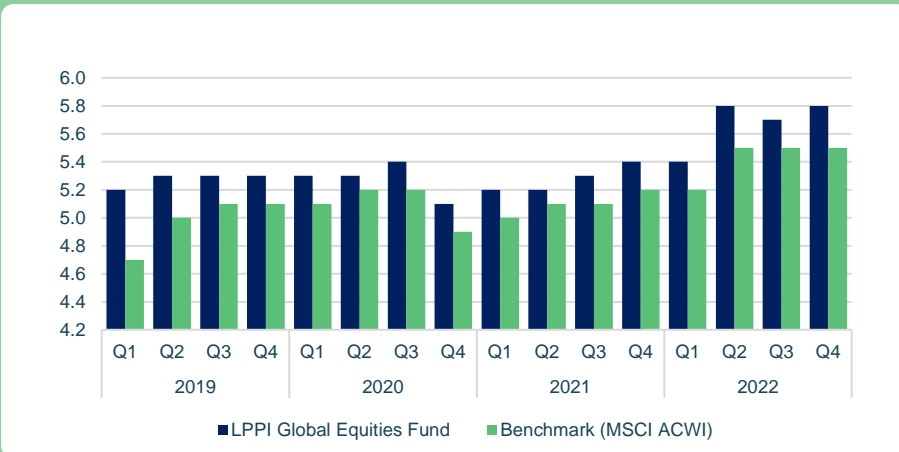
### Listed Equities (LPPI Global Equities Fund)



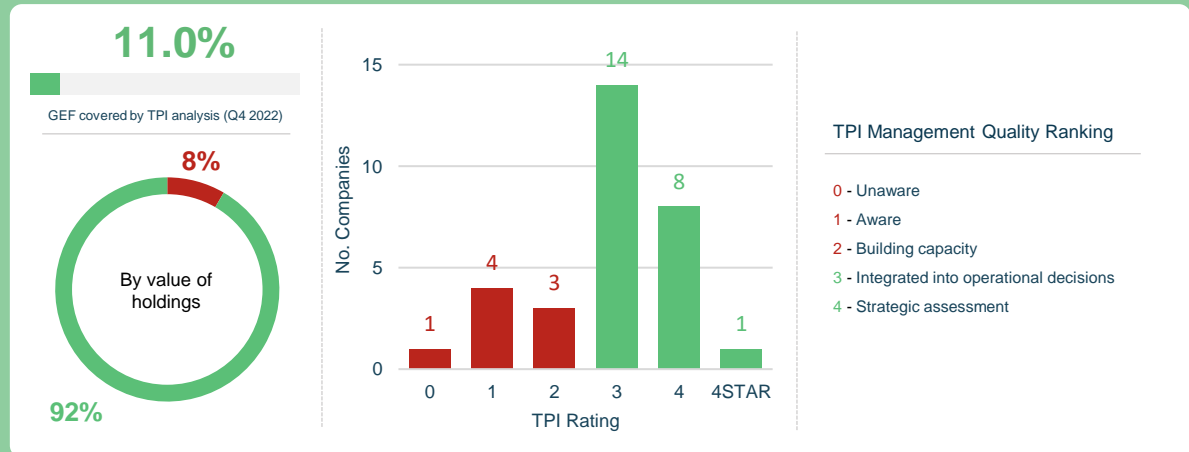
### Governance Insights (ISS DataDesk)



### Portfolio ESG Score (MSCI ESG Metrics)



### Transition Pathway Initiative – Management Quality Headlines



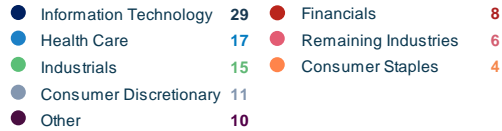
# Responsible Investment Dashboard Q4 2022

## 1. Portfolio Insights

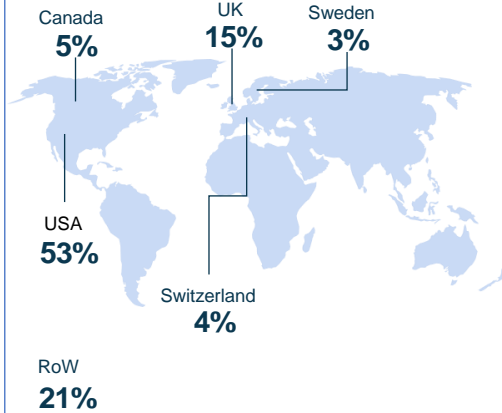
### Other asset classes

#### Private Equity

##### Industry Breakdown (%)

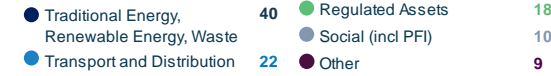
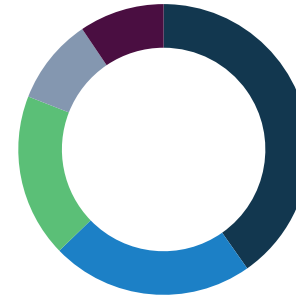


##### Region Breakdown (%)

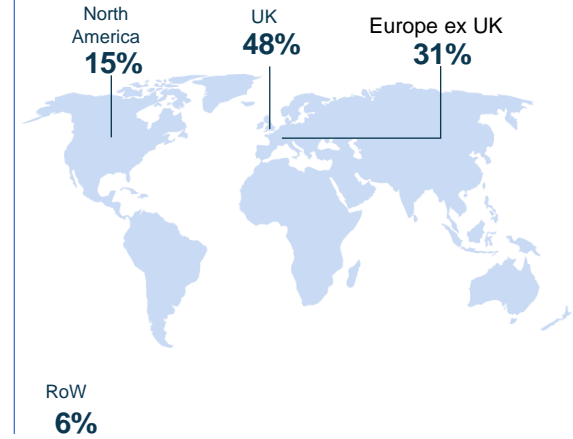


#### Infrastructure (LPPI Global Infrastructure Fund)

##### Industry Breakdown (%)

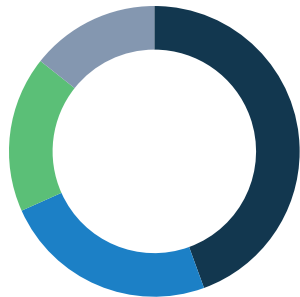


##### Region Breakdown (%)

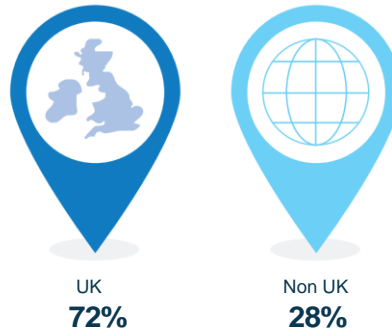


#### Real Estate (LPPI Real Estate Fund)

##### Sector Breakdown (%)



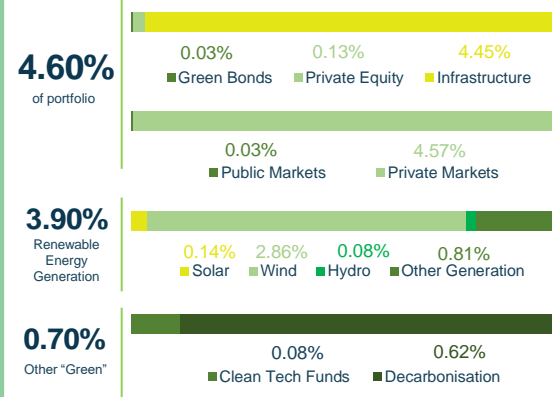
##### Geographical Exposure (NAV %)



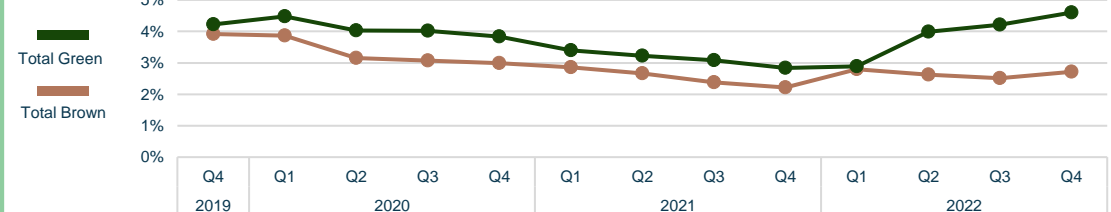
#### Green & Brown Exposure

##### Green

Investments in businesses directly contributing to the global transition to a lower carbon economy, expressed as a % of the total value of the pension Fund.

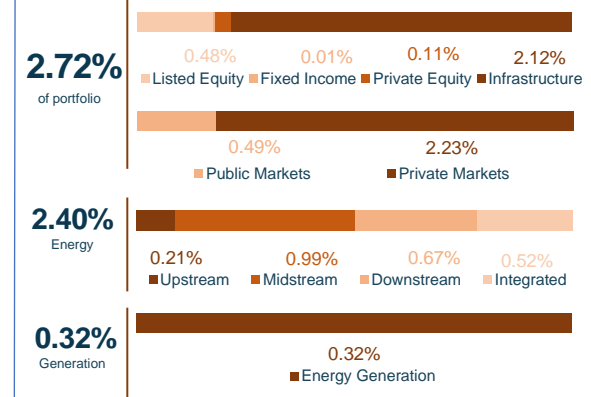


##### Trend



##### Brown

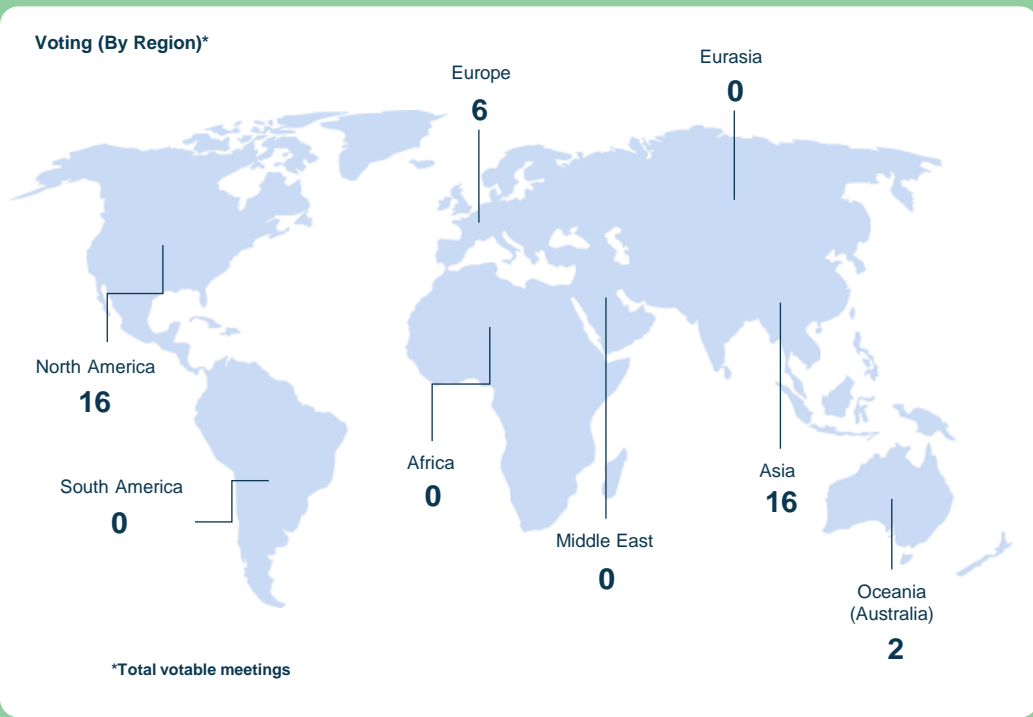
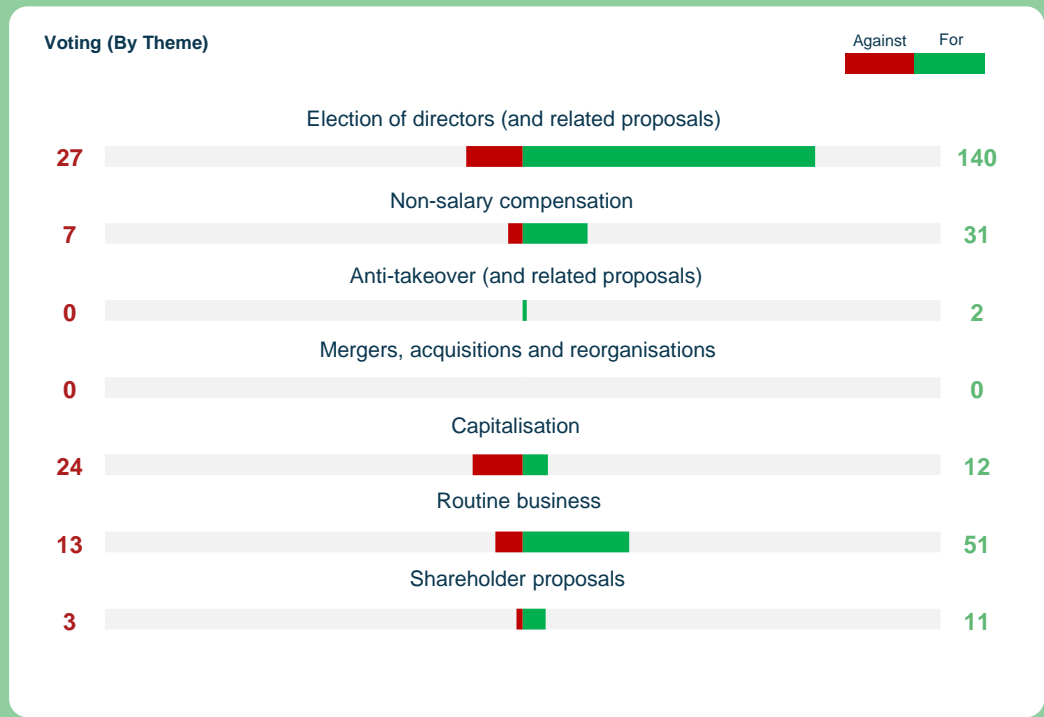
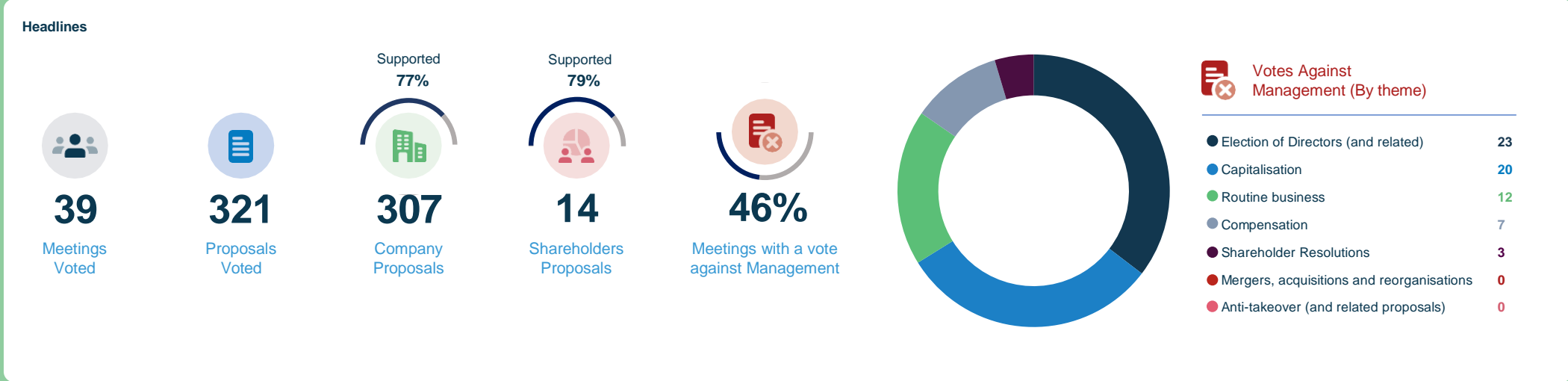
Investments in traditional energy (based on fossil fuels) expressed as a % of the total value of the Pension Fund.



## 2. Stewardship Headlines

### Shareholder Voting

#### Shareholder Voting Statistics (LPPI Global Equities Fund)



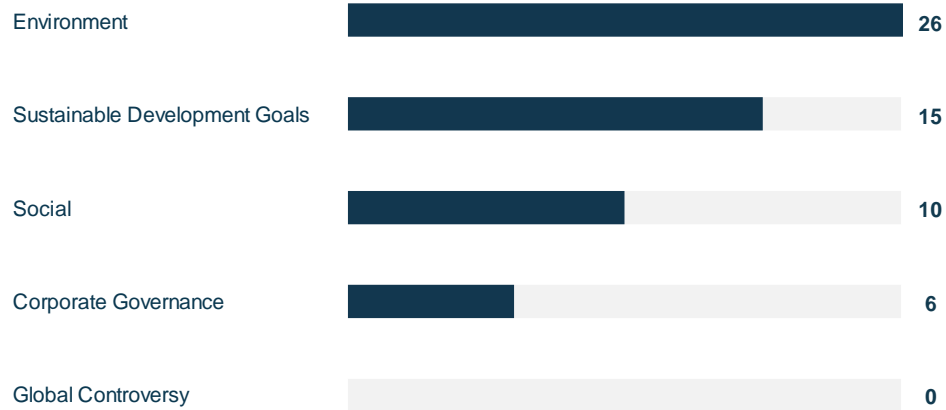
# Responsible Investment Dashboard Q4 2022

## 2. Stewardship Headlines

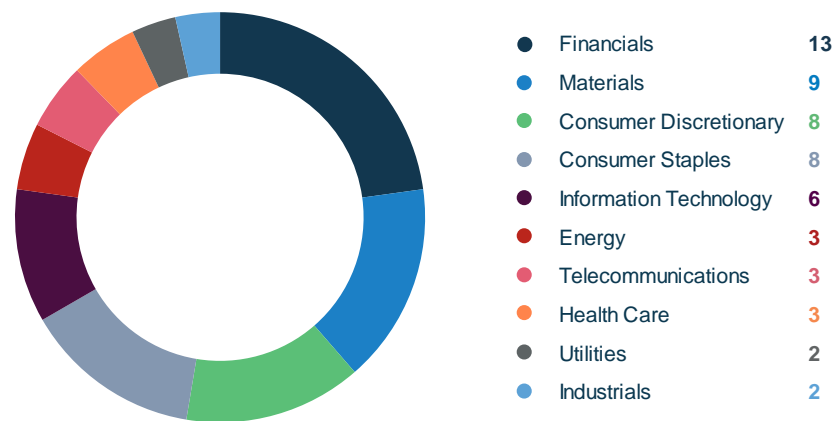
### Engagement (Public Markets): Robeco

The following data is specifically related to the companies in LPPI's portfolio and the engagements Robeco undertake on our behalf.

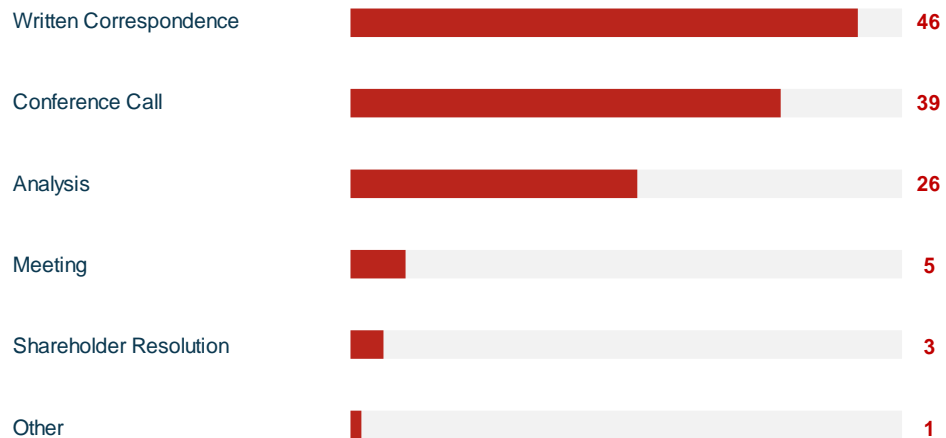
#### Activity (By Topic)



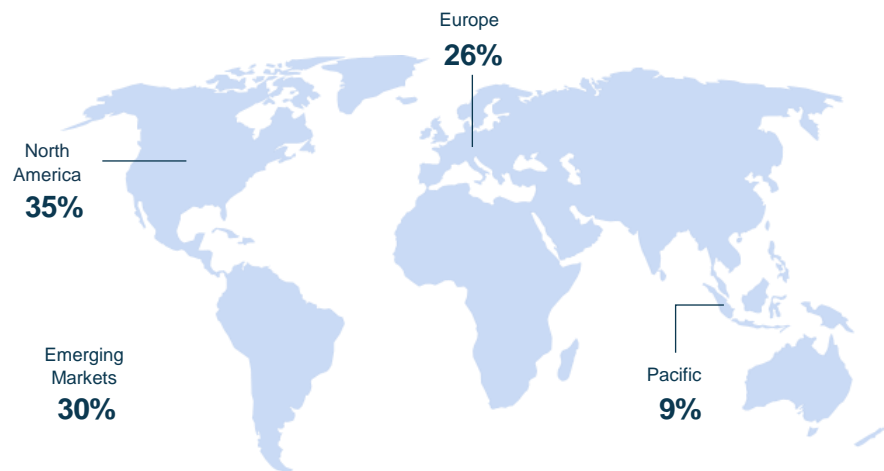
#### Activity (By Sector)



#### Activity (By Method)



#### Activity (By Region) (%)



Source: Robeco Active Ownership Report Q4 2022

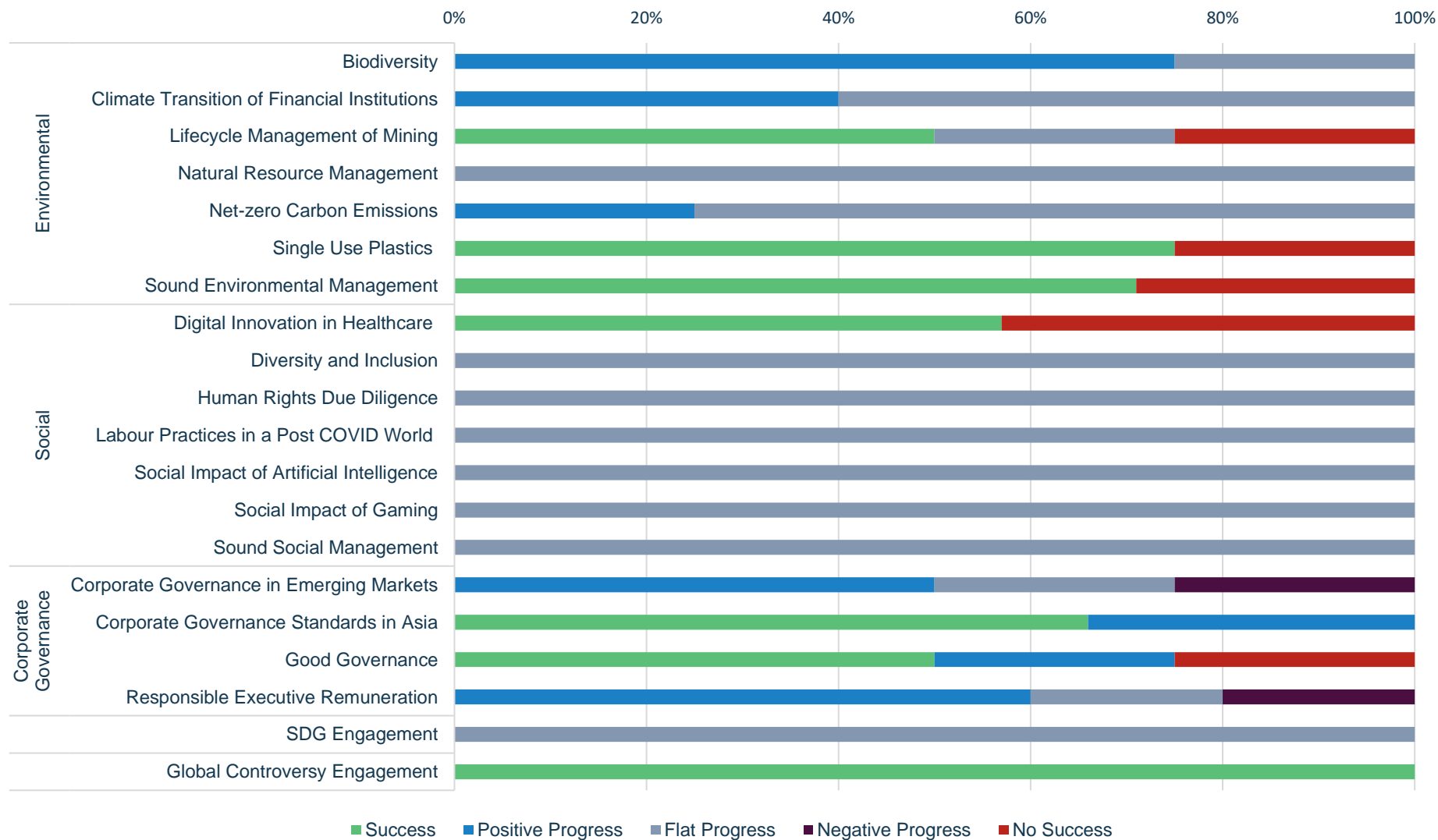
# Responsible Investment Dashboard Q4 2022

## 2. Stewardship Headlines

Engagement (Public Markets): Robeco

The following data is specifically related to the companies in LPPI's portfolio and the engagements Robeco undertake on our behalf.

Engagement Results (by Theme)



Source: Robeco Active Ownership Report Q4 2022

# Waters™

**Waters is one of the world's largest life sciences companies, and is the world leader in the niche specialty measurement techniques of liquid chromatography and mass spectrometry.**

Its mission is to deliver scientific insights to improve human health and well-being through the application of high value analytical technologies and industry-leading scientific expertise. In doing so, the firm helps customers drive advancements in clinical diagnostics and medicines, as well as ensuring access to safe and secure food and water supply.



### Drug development

From early-stage discovery through to **development and manufacturing quality assurance**, the company's products are embedded within the fundamental processes of the **top 50 global pharmaceutical firms** (by revenues).



### Food and drink - quality and safety standards

This involves **analysing how food changes under different temperatures, evaluating labelling requirements and nutritional value against the safety standards**, as well as assessing quality/safety of the water supply. Major customers include the US Food and Drug Administration (FDA) and the US Environmental Protection Agency (EPA).



**30m+**  
babies screened  
each year

### Advanced screening techniques

Other use cases include modern **new-born screening techniques**, such as tandem mass spectrometry, which can diagnose serious conditions within the first few days of a child's birth. The company's new-born screening instruments, **capable of screening for more than 30 inborn disorders** from a single dried blood spot sample, are used in **testing the majority of >30m babies screened globally each year**. Waters have been developing this technology in new-born screening since 1997, when they acquired Micromass, a UK-based company specialising in this industry.

## 3. Real World Outcomes - LPPI Global Equities Fund - internally-managed small and mid cap portfolio



**Idexx Labs is a global life sciences provider specializing in serving the pet and livestock, poultry and dairy markets, alongside a smaller business in water testing.**

The firm is a market leader within the veterinary diagnostics market, with dominant positions in point-of-care diagnostic analysers, reagents, and vet laboratory services. The company's stated purpose is "to keep pets and people healthy and safe", through a combination of supporting longer and fuller lives for pets, as well as protecting life's essentials, such as clean drinking water.



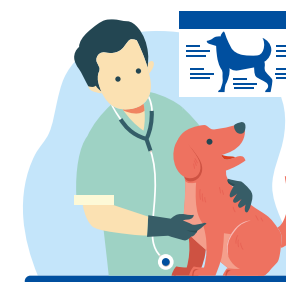
### Monitor the health of herd and flock animals

Through the Livestock, Poultry and Dairy business, Idexx provide **diagnostic tests and services used to monitor the health of herd and flock animals** globally, improve producer efficiency and ensure the quality of animal products. Over the last decade, the company has sold nearly **1.1bn IDEXX livestock diagnostic tests globally.**



### Global leader in water microbiology

Idexx Water is also a **global leader in water microbiology**, providing tests that ensure the **safety of drinking water and other water supplies for >2.5bn people in 100 countries globally.** This is through detection and quantification of bacterial indicators of faecal contamination, as well as common microbial pathogens. These testing products are used by the likes of government labs, water utilities and private certified laboratories.



**25,000k**  
SNAP Tests donated

### Idexx has also played a key role in supporting access to care for vulnerable animals:

- In 2021 the firm donated **25,000k SNAP Tests** (which help vets identify infections amongst pets) for disaster response, education, and community outreach.
- It provided funding to the Worldwide Veterinary Service to bring vet care to **vulnerable animals and veterinary training to underserved areas of Asia, Africa and South America.**
- The company is aiming to expand access to care for **>500k animals in underserved communities by 2025.**

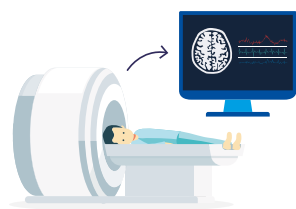
## 3. Real World Outcomes - LPPI Global Equities Fund - internally-managed small and mid cap portfolio



**Pro Medicus is a leading provider of medical imaging IT services that are critical to the healthcare industry. Its customers include hospitals across private, government and academic/teaching sectors, and radiology clinics.**

The company's core technology is capable of streaming large, complex diagnostic images sent from an MRI, CT scan, mammogram or similar. Given the complex and data-intensive nature of these images, even cloud-based systems are slow and inefficient when transmitting the information.

Higher quality electronic medical images are rapidly increasing data loads, making the need for fast electronic delivery of these images for diagnostic purposes even more important.



### Essential software for healthcare

Pro Medicus' software is considered critical to hospital and other healthcare institutions infrastructure, as hospitals and clinicians are increasingly using imaging as a less invasive method of diagnosis, early disease detection and to minimise surgical errors/risks. **Accurate diagnosis improves patient outcomes and results** in more efficient day to day operations for hospitals and other healthcare providers.



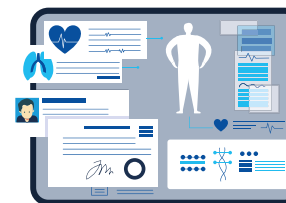
### Visage imaging software

The firm's **Visage medical imaging software is currently best in class** when it comes to viewer speed across all modalities, **implementation speed and delivering improvements in clinical efficiency.**



### Improved clinical accuracy

The company's products result in **improved clinical accuracy**, via higher image resolution, providing **more accurate diagnosis and recording of potential health issues.**



### Its software is also inherently more efficient, as demonstrated by the following:

- Pro Medicus software has been shown to **improve radiologist turnaround time** (i.e. productivity) **by up to 30%.**
- Even though its products are priced at a premium to peers, a 30% efficiency improvement can result in a highly attractive ROI for healthcare customers (management estimates a **5-20% improved efficiency would drive an ROI of 80-300%.**)
- Implementation is **1/4 to 1/3 faster than closest competitors**, resulting in significant productivity improvements for healthcare clients (e.g. the Mercy Health Foundation – Pro Medicus software was rolled out across the Foundation's **43 hospitals in four separate states within just six months, versus 18-24 months for most competitors.**)



### Portfolio Insights (Pages 1 - 2)

#### Sector Breakdown (%)

- Identifies the Global Equities Fund's ("GEF") sector breakdown and their proportions.

#### GEF Sector Weights

- Comparison of sector weights against their benchmark.
- The larger the bar the bigger the difference between GEF and benchmark weightings.
- Where a positive number is shown, this indicates the GEF is overweight to a sector.
- Where a negative number is shown, this indicates the GEF is underweight to a sector.

#### Top 10 Positions

- The top 10 GEF companies as a % of the asset class portfolio.

#### Governance Insights

- **Women on the board:** A measure of gender diversity based on the average proportion of female board members for companies in the GEF.
- **Board independence:** The average proportion of board members identified by ISS as independent. Please note independence expectations vary across markets with LPPI generally favouring greater independence.
- **Say-on-pay:** The average investor support for the most recent say-on-pay vote at a company meeting. Please note not all markets require say-on-pay votes. A vote of greater than 20% against (support < 80%) is generally considered significant.

#### Portfolio ESG Score

- This is a relative indicator and not a measure of portfolio ESG risk exposure.
- Individual companies are assigned an ESG score (between 0-10). The final numbers shown in the bar chart are the weighted averages of these scores for the stocks held in the GEF vs its benchmark through time.
- This table is a comparison with the benchmark and reviews changes over time.
- LPPI utilise an established methodology (developed by MSCI) for determining the ESG score of stocks within the GEF. Further details can be found here: <https://www.msci.com/documents/1296102/21901542/MSCI+ESG+Ratings+Methodology+-+Exec+Summary+Nov+2020.pdf>
- The higher the score shown, the better the ESG credentials of the GEF / benchmark.

### Portfolio Insights (Pages 1 - 2)

#### Transition Pathway Initiative (TPI) Headlines

- TPI assess how well the largest global companies in high carbon emitting sectors are adapting their business models for a low carbon economy.
- The % of GEF covered by TPI shows the portfolio exposure to high emitting companies.
- The number/proportion of companies with top scores (TPI 3 and 4) is a measure of the quality of transition management by the high emitting companies held within the GEF.
- Detailed TPI methodology can be found through the following link: <https://www.transitionpathwayinitiative.org/methodology>

#### Private Market Asset Classes

- These metrics indicate the industry sector and regional breakdown as a % of the asset class for Private Equity, Infrastructure and Real Estate investments.

#### Green & Brown

- These metrics indicate the Pension Fund's total portfolio exposure (%) to green and brown assets. Current coverage extends to: Listed Equities, Fixed Income, Green Bonds, Private Equity, and Infrastructure.
- These are further broken down into their sectors/activities related to green and brown.
- Please be aware that due to rounding within the different breakdowns the totals may not sum correctly.

#### Green

These are investments in renewable energy and sectors/activities assisting in renewable energy generation, low carbon tech and wider decarbonising activities.

#### Brown

Investments in energy and power generation based on fossil fuel activities, including: extracting (upstream), transporting (midstream), refining (midstream), supplying (downstream), or some energy companies that legitimately span all aspects (integrated). Fossil fuels used to generate energy is part of electricity generation.

### Stewardship Headlines (Pages 3 - 5)

#### Shareholding Voting

- Key shareholder voting metrics for LPPI's GEF.
- The Headline section provides insight into the scope of voting activity, including how votes against management is concentrated.
- LPPI is responsible for voting on each decision taken, working in partnership with Institutional Shareholder Services to best inform views prior to taking action.
- The map of votes per region is included because different jurisdictions have different voting seasons. This provides context to the reporting of voting statistics quarter to quarter as votes take place in batches depending on the companies domicile at different points throughout the year.

#### Engagement (Public Markets)

- Engagement is an active, long-term dialogue between investors and companies on environmental, social and governance factors, which can be executed through a variety of channels.
- LPPI has engaged an external provider (Robeco Active Ownership Team) to supplement dialogue underway by LPPI and external delegate managers.
- This section outlines the engagement activities undertaken by Robeco in the public markets by topic, sector, method, and region (indicating the number of companies engaged / geographical distribution).
- "Activity by method" summarises engagements by category / method and can include multiple inputs from the same company.
- The updated Robeco Active Ownership report summarises our engagement activities for the quarter and breaks them down into sub-sectors, where they are rated on success/progress (shown as a %).
- Page 9 of the Robeco stewardship policy outlines further details of their process: <https://www.robeco.com/docm/docu-robeco-stewardship-policy.pdf>

### Real World Outcomes (Pages 6 - 8)

- This section provides real world ESG case studies, relevant to the Pension Fund's holdings, which rotate between asset classes each quarter.
- The focus of the real world outcomes rotates between asset classes for each quarter in the following pattern:
  - Q1 – Infrastructure
  - Q3 – Real Estate
  - Q3 – Private Equity
  - Q4 – GEF
- The case studies are an in-depth review of positive ESG practices for current investments within the portfolio over the past year.

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