



Group Environment Statement

December 2020

1. Executive Summary

Schroders Group is a world-class asset manager employing more than 5,000 people and operating from 35 locations across Europe, the Americas, Asia, the Middle East and Africa. We are responsible for £536.3 billion¹ of assets for our clients who trust us to deliver sustainable returns.

Our focus on doing the right thing for our clients, our people and wider society lies at the centre of our culture. It's important to us that we reduce our impact on the environment and we continually look for ways in which we can not only mitigate our environmental footprint but also positively contribute to a low carbon and resource-efficient future.

This policy sets out Schroders' position for its entities and staff in relation to the environmental management of its operations. It does not cover Schroders' position or policies with regards to environmental or sustainable investment.

2. Why is it necessary?

We recognise that environmental issues including climate change present some of the most important challenges facing the world. They will be a defining driver of the global economy, society and financial markets over the coming years, decades and beyond.

Schroders has a responsibility not only to its clients but to manage its own impact on the environment through its operations.

3. Scope

This policy statement applies to all Schroders businesses worldwide. It sets out Schroders' position for its entities and staff in relation to the environmental management of its operations. It does not cover Schroders' position or policies with regards to environmental or sustainable investment.

4. Our statement

We have some clear goals and commitments around reducing our environmental impacts:

Our goals

- To operate in line with all local, regional and national environmental regulations and legislation
- To help protect the environment and prevent pollution
- To seek actions to continually improve our Environmental Management System and enhance environmental performance

Our approach and commitments

Governance, compliance and management

- To operate in line with legislation, regulation and best practice standards to deliver sound corporate governance. The Corporate Responsibility (CR) Committee, chaired by our Group Chief Executive provides a framework for setting environmental objectives, reviewing initiatives and monitoring performance. The Group Chief Financial Officer is a member of the CR Committee. The CR Committee meets quarterly and reports at least annually to the Group Management Committee and Board of Schroders plc

¹Assets Under Management as at 30 September 2020.

- To follow the principles and requirements of the ISO 14001:2015 Environmental Management System (EMS). The EMS has been built on the three core pillars of sustainability (economic, social and environment)
- At our headquarters in London, UK, environmental aspects and compliance are managed and monitored through a site-specific register with controls in place. In our other locations, Country Heads are responsible for environmental management with support from Workplace Services

Resource efficiency

- To use fewer resources in the day-to-day activities of the business. These include the consumption of energy, waste, water, office consumables and business travel
 - To achieve year-on-year reductions in gross greenhouse gas emissions per employee
 - To own and occupy only assets that are net zero carbon in operation in the UK by 2030. As an interim target, we will reduce our greenhouse gas emissions by 10% per square foot by 2025, compared to 2018
 - To achieve recycling rates of 80% in our UK operations by 2022

Renewable electricity

- Through the [RE100](#) initiative, we've committed to use only renewable electricity globally by 2025

Offsetting

- From 2019, we offset the residual greenhouse gas emissions associated with our Scope 1, Scope 2 and part of our Scope 3 (business travel and employee commuting) activities on an annual basis through the purchase of carbon credits through accredited carbon offset schemes

Data and disclosure

- We firmly believe that disclosure and transparency is an essential element of driving environmental action
 - We use sustainability software to track and manage global data required for non-financial environmental data, such as energy, transport, waste, water and fugitive gases. This supports the reporting requirements of international reporting frameworks including CDP, GRI standards, United Nations Global Compact and the United Nations Sustainable Development Goals (SDGs)
 - We are investor signatories of [CDP](#) and submit our data through the climate change questionnaire on an annual basis
 - We support the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) and we report in accordance with the TCFD in our [Annual Report and Accounts](#)

Awareness and training

- The achievement of our goals and commitments relies on the support and actions of our employees. We engage colleagues by:
 - Keeping them updated on our strategy and initiatives via our intranet site and website
 - Providing courses to develop skills and understanding via our global learning platform
 - Providing opportunities for participation through local or global campaigns and competitions

Advocacy

- Informed by our commitment to the UN Global Compact and the SDGs we want to play an active role in supporting environmental change. As such, we publicly show our support on environmental initiatives to improve environmental performance and progress
- We are a participant of the United Nations Global Compact and align our strategy and operations with its ten principles on human rights, labour, environment and anti-corruption. We also take action to advance broader societal goals, such as the United Nations Sustainable Development Goals (SDGs)

5. Where can I get more information?

For employees

- [Schroders' Corporate Responsibility intranet site](#) (internal access only)
- [Schroders' Corporate Responsibility website](#) (external)
- [Global Travel Policy](#) (internal access only)

For clients

For information on our approach to sustainable investment and stewardship please see:

- [Schroders' Sustainability website](#)
- [Schroders' Sustainable Investment Report 2019](#)

For suppliers

- [Schroders' Supplier Code of Conduct](#)

For more information please email crmatters@schroders.com

This Environmental Policy Statement is evaluated on an annual basis and communicated to all internal and external stakeholders and interested parties.

Richard Keers
Chief Financial Officer



15 December 2020