What are my portfolio’s key E, S, and G metrics?

		Fund	MSCI.ACWI	Assessment
	MSCI ESG score	6.7	6.8	

	Exposure to companies with…	Fund	MSCI.ACWI
E	**Environmental controversies**	5.49%	5.72%
	Material water & wastewater management issues	0.18%	1.30%
	Material waste & hazardous Materials management issues	2.54%	1.35%
S	**Non-compliance to UNGC**	1.69%	0.77%
	Severe human rights controversies	7.63%	6.87%
	Child labour controversies	1.14%	1.32%
	Any ties to controversial weapons	0.00%	0.69%
G	**Good governance[2]**	98.6%	98.9%
	Independent board majority	92.6%	90.6%
	Extreme CEO pay (relative to peers)	16.4%	16.5%
	Combined CEO/chair roles	29.4%	36.7%
	A female CEO	2.4%	5.6%
	A female chair	6.7%	7.7%

[1] More detail on our traffic light methodology for each metric assessment and detailed definitions of each metric can be found in the appendix.
[2] Our definition of good governance is in alignment with the Sustainable Finance Regulation Disclosure, which notes that good governance includes sound management structures, employee relations, remuneration of staff and tax compliance.

What are my portfolio’s key climate change metrics?

Impact of portfolio on climate change

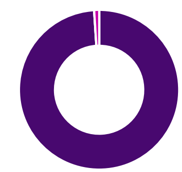
Metric	Fund	MSCI.ACWI	Assessment
Carbon footprint			
Absolute emissions (*tCO2e scope 1 + 2 emissions - ex sovereigns*)	54,903	58,846	
Intensity (*tCO2e scope 1 + 2 emissions / $m invested attributed by EVIC*)	55	59	
Alignment			
% Aligned	24.08%	20.94%	
% Aligning	41.92%	44.50%	
% Not Aligned	22.03%	22.86%	
Climate solutions	5.46%	8.28%	

Impact of climate change on portfolio

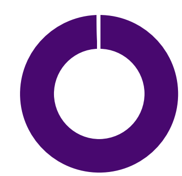
Metric	Fund	MSCI.ACWI	Assessment
Transition risks			
Overall portfolio Climate Transition Value-at-Risk	-4%	-4%	
% Severely exposed to climate transition risks[1]	10%	9%	
Physical risks			
% Severely Exposed	22%	23%	
% Moderately Exposed	25%	24%	
% Not Exposed	51%	52%	

Data Coverage (Carbon Footprint)

Fund



MSCI ACWI



Holdings Proxy No Data

[1] Exposure to companies in the 10th percentile of climate transition value-at-risk

[2] More detail on our traffic light methodology for each metric assessment and detailed definitions of each metric can be found in the appendix.

Further portfolio exposure details

Carbon footprint breakdown by asset class

	% of Portfolio	Carbon Emissions Absolute (tCO2e)	Carbon Emissions Intensity (tCO2e / $m invested)	WACI (tCO2e/$m sales or GDP)
Equity	100%	**54,903**	55	354
Alternative Credit	0%	**0**	0	0
Private Markets	0%	**0**	0	0
Liquid Diversifiers	0%	**0**	0	0
Corporate Bonds	0%	**0**	0	0
Sovereign Bonds	0%	**0**	0	0
Cash	0%	**0**	0	0
Fund	100%	**54,903**	**55**	354
Inc sovereigns		*54,903*	*55*	*354*
MSCI.ACWI	-	58,846	59	155
Inc sovereigns		*58,846*	*59*	*155*

Industry exposures

Industries related to the environment

Exposure to companies with…	Fund	MSCI.ACWI
Tar sands	0.00%	0.24%
Thermal coal	0.00%	0.11%
Oil & Gas	0.00%	1.48%
Clean technology	1.03%	0.66%
Green buildings	0.26%	0.02%
Renewable energy	0.00%	0.12%

Industries related to society

	Fund	MSCI.ACWI
Alcohol	0.26%	0.76%
Gambling	0.00%	0.27%
Tobacco	1.13%	0.70%

[1] More detail on our traffic light methodology for each metric assessment and detailed definitions of each metric can be found in the appendix

Appendix

Supporting information

Introduction

This Sustainability Scorecard is designed to give the necessary decision makers the ability to evaluate the degree of exposure to key sustainability risks, trends and shocks, within the client's portfolio. This scorecard deconstructs relevant areas related to the three pillars of ESG: Environmental, Social, and Governance in a meaningful way to help the end user monitor and construct a portfolio that aligns with their investment goals and beliefs. The tool uses data from multiple third-party sources and WTW's methodology for assessing the impact of climate change on the portfolio as well as the impact of the portfolio on climate change, along with dozens of other meaningful and decision useful metrics such as:

- Alignment with net zero GHG emissions by 2050, based on guidance set out by the IIGCC's NZIF
- The impact of physical risk on a company's market value based on the NGFS's 3°C Current Policies (Hot house world) physical risk scenario
- Key E,S and G portfolio summary stats including human rights controversies, child labor, good governance and gender diversity metrics
- Carbon metrics aligned to TCFD (Task Force on Climate-related Financial Disclosures) recommended metrics broken out by asset class for disclosure including weighted average carbon intensity, total carbon emissions and emission investment intensity
- Portfolio exposure to commonly excluded securities including controversial weapons, oil/tar sands, thermal coal, UNGC violators and fossil fuels

Traffic light methodology

Metric	Green	Yellow	Red
MSCI ESG score	**>20% better**	**Between 20% better and 20% worse**	**>20% worse**
Environmental controversies	**<10%**	**<25% and >10%**	**>25%**
Non-compliance to UNGC	**<5%**	**<10% and >5%**	**>10%**
Good governance	**<95%**	**<95% and >85%**	**<85%**
Carbon footprint	**>30% better**	**Between 30% better and 30% worse**	**>30% worse**
Alignment (Aligned OR Aligning)	**>60%**	**<60% and >30%**	**<30%**
Climate solutions	**>10%**	**<10% and >5%**	**<5%**
Transition risks	**>-2%**	**<-2% and >-10%**	**<-10%**
Physical risks (Exposed to severe risks)	**<30%**	**<50% and >30%**	**>50%**

Detailed definitions of MSCI metrics used (1/3)

Environmental controversies	Percentage of the portfolio which has been involved in severe environmental controversies related to land use and biodiversity, toxic spills and releases, energy and climate change, water management, operational non-hazardous waste, and management of supply chain environmental impact
Material water & wastewater management issues	Exposure to companies for which water use/consumption, waster water generation and impact on water resources are likely to be material issues
Material waste & hazardous materials management issues	Exposure to companies for which environmental issues associated with hazardous and non-hazardous waste are likely to be material issues
Non-compliance to UNGC	Percentage of the portfolio where the companies held are not in compliance with the United Nations Global Compact principles
Severe human rights controversies	Exposure to companies involved in severe human rights, including controversies related to freedom of expression and censorship, and other human rights abuses and adverse impact on a community
Child labour controversies	Percentage of the portfolio which has been involved in severe child labour controversies including child labour-related legal cases, widespread or egregious instances of child labour, resistance to improved practices, and criticism by NGOs and/or other third-party observers
Any ties to controversial weapons	Exposure to companies that have any ties to cluster munitions, landmines, biological / chemical weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and/or non-detectable fragments
Good governance	Exposure to companies with good governance structures based on the criteria set out in the Sustainable Finance Regulation Disclosure, which include an assessment of a companies management structures, employee relations, remuneration of staff and tax compliance
Independent board majority	Percentage of the portfolio where the majority of a company's board is independent of management
Extreme CEO pay (relative to peers)	Percentage of the portfolio where the total awarded CEO pay figure fell into an extreme range relative to the company's peers
Combined CEO/chair roles	Percentage of the portfolio where a company has a combined CEO/Chairman
A female CEO	Percentage of the portfolio where the a company's CEO is female
A female chair	Percentage of the portfolio where the a company's Chair is female
MSCI ESG Score	Portfolio weighted average score which indicates how well the companies held manage their most material ESG risks relative to industry peers.

Detailed definitions of MSCI metrics used (2/3)

Carbon footprint	Assessment of the efficiency of the portfolio's carbon emissions per million $ invested (tCO2e scope 1 + 2 emissions / $m invested attributed by EVIC). Excludes emissions attributed to investments in sovereign bonds, although sovereign emissions are included in the detailed breakdown of carbon emissions on slide 3 of the report.
Alignment	Percentage of the portfolio classified as Aligned, Aligning or Not Aligned based on guidance set out in the IIGCC's "Net Zero Investment Framework". Companies are categorised as High or Low impact depending on their industry classification and assessed against the following six criteria: Ambition, Targets, Emissions Performance, Disclosure, Decarbonisation strategy and Capital Allocation Alignment using data sourced from CA100+, TPI, SBTi and MSCI.
Climate solutions	Percentage of the portfolio that may be considered EU Taxonomy eligible based on the criteria set out in the taxonomy. A security is considered a climate solution if it meets the following criteria: • >20% of revenue generated from activities aligned with a climate change adaption or climate change mitigation environmental objective • does no significant harm through involvement in environmentally damaging controversies or activities that could negatively impact society • meets minimum safeguards as defined by the UN Global Principles on Business and Human Rights (UNGP) and OECD Guidelines.
Transition risks	Portfolios exposure to transition risk using WTW's proprietary Climate Transition Value at Risk (CTVaR) methodology which analyses the impact on projected company cashflows of moving from a 'business as usual' scenario – reflecting current policies – to a world where emissions pathways are fully aligned to the goals of the Paris Agreement. Companies whose CTVaR is in the 10^{th} percentile or below are considered to be severely exposed to climate transition risks
Physical risks	Percentage of the portfolio that may be severely exposed, moderately exposed or has no exposure to physical risk based on the NGFS's 3°C Current Policies (Hot house world) physical risk scenario. Companies are categorised if their 95^{th} percentile expected loss of market value due to the impact of any one of 10 extreme weather events is greater than a predefined threshold.
Carbon Data coverage	Portfolio breakdown of the percentage of the underlying strategies where the carbon intensity is derived from either: • Actual holdings data of the fund • Is proxied based on the high level industry and geographic region breakdown of the fund • Where no data was available

Detailed definitions of MSCI metrics used (3/3)

Tar Sands	This factor identifies the maximum percentage of revenue (either reported or estimated) greater than 0% that a company derives from oil sands extraction for a set of companies that own oil sands reserves and disclose evidence of deriving revenue from oil sands extraction. This factor does not include revenue from non-extraction activities (e.g. exploration, surveying, processing, refining); ownership of oil sands reserves with no associated extraction revenues; revenue from intra-company sales.
Thermal Coal	This factor identifies the maximum percentage of revenue (either reported or estimated) greater than 0% that a company derives from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It excludes: revenue from metallurgical coal; coal mined for internal power generation (e.g. in the case of vertically integrated power producers); intra-company sales of mined thermal coal; and revenue from coal trading.
Oil and Gas	This factor identifies the maximum percentage of revenue (either reported or estimated) greater than 0% that a company derives from conventional oil and gas. It includes all types of conventional oil and gas production including Arctic onshore/offshore, deepwater, shallow water and other onshore/offshore. It excludes revenues from unconventional oil & gas (oil sands, shale oil, shale gas).
Clean Technology	This key issue evaluates the extent to which companies are taking advantages of opportunities in the market for environmental technologies. Companies that proactively invest in product and services addressing issues of resource conservation and climate change score higher on this key issue. Companies lacking strategies and investments targeting these areas score lower on this key issue. (Score: 0-10)
Green Buildings	This key issue evaluates the extent to which companies are taking advantage of opportunities to develop or refurbish buildings with green building characteristics including lower embodied energy, recycled materials, lower energy and water use, waste reduction, and healthier and more productive working environments. Companies that proactively develop or refurbish buildings to achieve green building certifications score higher on this key issue, while companies that ignore opportunities in green buildings score lower. (Score: 0-10)
Renewable Energy	This key issue evaluates the extent to which companies are taking advantages of financial opportunities linked to the development of renewable power production. Companies that proactively invest in renewable power generation and related services score higher on this key issue, while companies lacking any strategic interest in the field score lower. (Score: 0-10)
Alcohol	Exposure to companies whose main operating activity is in the Alcohol industry based on the GICS sub-industry classification.
Gambling	Exposure to companies whose main operating activity is in the Gambling industry based on the GICS sub-industry classification.
Tobacco	Exposure to companies whose main operating activity is in the Tobacco industry based on the GICS sub-industry classification.

Why MSCI

WTW's sustainability team conducted an in-depth review of over 10 sustainability data providers to assess potential partners that could provide the data to support our growing sustainability initiative. Through our analysis we concluded that MSCI was best suited to provide the level of coverage for all key ESG and climate metrics required for this report. MSCI is a market leader in terms of quality of research and size of team, with approximately 400 full time employees as of July 2020, we believe that they offer the necessary support and breadth of resources needed as WTW continues to expand sustainability efforts in various areas of concentration. MSCI has recently released several new data sets including climate and impact series which we believe can contribute to the next stages of our development in terms of tools, analysis, lens work on sustainable investing, including potential future enhancements to our sustainability scorecard. Climate analysis continues to be a top priority for MSCI's ESG data team in the coming years, corroborated through their recent acquisition of Carbon Delta, which WTW views as an exciting development as we also look to prioritize the growing importance and impact of climate change though our various lines of business.

MSCI Additional Disclosure

Although WTW's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy, and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy and sell or when to buy and sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Greenhouse gas emissions: a primer

Greenhouse gas emissions are classified as per the Greenhouse Gas Protocol and are grouped in three categories known as Scope 1, Scope 2 and Scope 3.

- **Scope 1** GHG emissions are those directly occurring "from sources that are owned or controlled by the institution, including: on-campus stationary combustion of fossil fuels; mobile combustion of fossil fuels by institution owned/controlled vehicles; and "fugitive" emissions. Fugitive emissions result from intentional or unintentional releases of GHGs, including the leakage of hydrofluorocarbons (HFCs) from refrigeration and air conditioning equipment as well as the release of CH4 from institution-owned farm animals."
- **Scope 2** emissions are "indirect emissions generated in the production of electricity consumed by the institution."
- **Scope 3** emissions are all the other indirect emissions that are "a consequence of the activities of the institution, but occur from sources not owned or controlled by the institution" such as commuting; waste disposal; embodied emissions from extraction, production, and transportation of purchased goods; outsourced activities; contractor-owned vehicles; and line loss from electricity transmission and distribution".

The greenhouse gases included in the GHG emissions are the 6 gases mandated by the Kyoto Protocol , given here below with global warming potential coefficient (GWP):

- Carbon dioxide (CO2) GWP: 1
- Methane (CH4) GWP: 21
- Nitrous oxide (N2O) GWP: 310
- Hydrofluorocarbons (HFCs) GWP: GWP: 150 – 11,700
- Perfluorocarbons (PFCs) GWP: 6500 – 9,200
- Sulphur hexafluoride (SF6) GWP: 23,900