**Due Diligence Policies with regard to Principal Adverse Sustainability Impacts of Investment Decisions**

We have identified a number of ways in which our investment decisions could have a positive or adverse impact on sustainability factors, including environmental, social and employee matters, respect for human rights, and anti-corruption and bribery matters.

European Union regulations on sustainability-related disclosures in the financial services sector require investment managers to prioritise, identify and describe the principal adverse indicators of investment decisions. Taking into account the nature of our investments and our knowledge of those investments and their adverse impact on sustainability factors (such knowledge also being informed and assisted by research and information received from our external ESG research providers), we have identified certain factors as being the Principal Adverse Impacts. These are the potential adverse impact on the climate from the emissions of greenhouse gases, potential adverse impact on gender equality arising from insufficient female representation at board level, potential adverse impact on human rights if companies are not taking sufficient account of human rights in their operations, and potential adverse impact on employees if companies do not have adequate policies to protect employee health and safety.

We review and monitor those adverse impacts on an ongoing basis. This monitoring is based on our own knowledge of the companies, and on externally-sourced research and data.

We engage with investee companies on the topic of the principal adverse indicators (and other issues), as set out in our Engagement Policy which is published on our website.

***Approved by Responsible Investing Committee, February 22nd 2021***