



Being Isio.

Our sustainability principles

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Contents

3	Being Isio
4	Our sustainability principles
6	Climate and Environment
8	Natural Capital
9	Inclusion and Belonging (I&B)
10	Corporate Social Responsibility
12	Our commitment to our clients
14	Our commitment to our suppliers
15	Our commitment to our industry
16	Our commitment to society

Being Isio.

Our approach to sustainability

I believe good business at Isio needs to be more than what we do. How we do business is equally important.

That's why we've placed our core beliefs and behaviours at the heart of our business purpose: to create better outcomes for our clients, our people and society.

I feel there can be no more valuable path for our current and future stakeholders than to secure a sustainable future for them through how we operate as a business.

So, I want to share the details of our commitment to sustainability with you now. The approach set out in the following pages is designed to guide us all forward with a common purpose.

The transition to a sustainable future is a priority for Isio. It also represents both a material risk and an important opportunity for our clients as new products and services are developed.

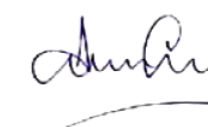
Climate change and the wider degradation of our environment are global emergencies and the Board and I believe we need to hold ourselves responsible for solutions. As a result, we will regularly review our progress against the goals we've set ourselves to identify how we can make even more of a difference.

In our advice to clients we continue to challenge tradition; better enabling them to take advantage of opportunities and address their risks as we transition to a more sustainable economy.

We are proud of what we have achieved so far and have set our way forward:

- We've allocated clear responsibilities at partner level and have a dedicated full-time colleague to drive further improvement;
- We have a rigorous Inclusion and Belonging vision, with a steering committee chaired at Board level and with every partner having a specific objective related to this strategy;
- We have achieved the Inclusive Employers Standard Bronze accreditation for 2023;
- We've established a network of Sustainability Champions across our offices empowered to make changes at a local level and have established from outset environmentally robust travel, IT and office management policies;
- We are a carbon-neutral business, and have used high quality, externally validated nature-based offsets since Isio was born; and
- We've set our net zero target of 2045 with a robust interim goal for 2030.

As we grow, I know our ambitions in this area will too. We will continue to review our approach and ambitions with you as we progress.



Andrew Coles, CEO

Our sustainability principles

Our purpose defines our principles: we deliver better outcomes for our clients, our people and society. To achieve this we turn to our four core values and beliefs which are at the heart of our culture.

Do the right thing. We use our judgement to stand up for what's right. That means respecting each other and acting with integrity – whether we're handling a routine inquiry or a highly complex question.

Have clear conviction. We never make anything more complicated than it needs to be. Always backing our thinking with the rigour, trust and value our clients deserve.

Stay curious. Curiosity opens us to new ideas, ways of working and diverse perspectives. We believe a better way is always out there, and that we can harness it to advance our society.

Be human. Ours is a people business, so we bring the human touch to everything we do. We're friendly, supportive, and make serious topics accessible for us and our clients.

We apply to these principles to four areas of focus



Climate and Environment



Natural Capital



Inclusion and Belonging



Corporate Social Responsibility

We are not alone. We recognise that we have a voice and we believe in global collective action. We will engage with our people, our clients and other stakeholders to support them on their own journeys towards a more sustainable future.

Our four key areas of influence



Clients



Suppliers



Industry



Society

Climate and Environment



Climate change is one of the biggest issues of our time with significant global action required to mitigate and manage potential transition and physical risks.

We have a part to play both in our own footprint and in how we engage with all other stakeholders.

The planet is warming to unsustainable levels as a direct result of human action. We all have a role to play in supporting the transition to a lower carbon economy.

Isio is committed to reducing our environmental footprint whilst remaining an organisation that embraces in-person contact with our clients and our people. As a services business we tread relatively lightly in our carbon footprint and have done so from the birth of Isio in 2020; we continue to work hard to reduce our emissions.

Reducing our emissions

We track our scope 1, 2 and 3 GHG emissions and intensity measures for each financial year and disclose these at the start of our Report and Accounts.

For our net zero and decarbonisation journey, we have set our financial year ending 30 September 2022 as our base year, as prior years were not representative of our operating model due to the disruption caused by the response to Covid.

Our aim is to work towards operating with the lowest possible emissions and energy intensities as fast as we can, recognising that we are consistently growing as a business at a fast pace.

Office environment

All our existing offices have modern energy efficient designs including the use of LED and zonal lighting with motion detectors. Where new offices are added to our portfolio through acquisitions or expansion, we will aim to refit or replace to the same high standards.

We are working with our landlords to increase the proportion of our energy that is supplied from renewable sources.

Technology and energy usage

Isio uses cloud computing services as these are far more efficient in their use of energy than local, smaller server estates. The majority of these cloud computing services run their data centres fully on renewable electricity and have been carbon neutral for several years.

Sustainable travel choices

Almost all of our regional offices are located in the immediate vicinity of a mainline railway station. We strongly encourage the use of rail and other public transport for all business travel, with flights only permitted by exception.

Where this is not the case, for example connections between our Belfast office and our other regional offices, we encourage virtual and hybrid meetings where possible.

We are working with our colleagues to enhance our approach to sustainable

commuting to help reduce the number of carbon emitting vehicles in our cities. This includes promoting flexible work patterns, facilitating and encouraging cycling, and prioritising public transport usage.

In 2023 we launched our Green Car scheme, which facilitates staff access to full Electric Vehicles should they wish to lease one.

Our longer term ambition

We have made our commitment to be net zero on our scope 1, 2 and 3 emissions by 2045 or sooner and have developed a robust road map to achieve this. We place emphasis on acting now, and so have also committed to a reduction in emission intensity across scope 1, 2 and 3 of at least 40% by 2030 from our base year of our 2022 financial year.

As an immediate step whilst we continue to reduce our emissions, we have utilised high quality, verified offsets so that we are carbon neutral for all our scope 1 and 2 emissions since our birth.



Natural Capital



We are increasing our attention to nature, both in its own right and as a response to the global emergency of climate change.

We aim to operate within the principles of the circular economy as far as possible. This means we will challenge ourselves to reduce our consumption footprint and to use materials that are recyclable, reusable or compostable.

We have three specific areas where we believe we can have most impact:

Recycling in offices

In all our offices, waste is separately collected and then removed and processed by certified waste management services companies. Our sustainability champions are empowered to drive behavioural change 'on the ground' and make sure that staff understand how to separate their waste appropriately.

Electronic equipment

Electronic equipment is managed to maximise its useful lifespan and then donated for secure re-use or disposed of sustainably. Isio also makes extensive use of cloud computing instead of using on premise servers which is a more efficient use of natural capital.

Reducing paper

Our staff are encouraged to work with clients using electronic copies of documents rather than paper and our printers are configured to default to the most environmentally friendly settings.

Our longer term ambition

Tracking the waste that we produce is a challenge as all our offices are in shared occupancy buildings where waste is managed by landlords.

We are working with our service providers to understand and be in a position to track the levels of our non-recyclable footprint as we continue towards our immediate goals set for 2030.

Inclusion and Belonging



Fostering diverse, inclusive and equitable environments which recognise individuals for their unique contribution.

From the day we were born, Inclusion & Belonging (I&B) have been strategic priorities at the heart of our business. We are proud of the work we do with clients. And we apply that same mindset to our I&B approach, championing higher standards.

Our 'I&B Vision' sets out our commitment to creating an environment where everyone feels welcome. This is not just about signalling but making clear and measurable progress. Sponsored by our board, it's been designed to nurture every employee's growth and celebrate our differences.

How we intend to make a difference. In our path towards Inclusive Employers Accreditation, we've already launched a range of initiatives to bring our vision to life.

Communicating our I&B vision. A programme which ensures every member of our 1,100-strong team is aware of our goals and how they can play their part in its success.

"Leaders as Allies". Ensuring our leadership team are the best allies they can be, supporting and championing best practice Inclusion & Belonging behaviours.

Better understanding our diversity. We're improving the data we hold to build a better, more accountable picture of our organisation's diversity over time.

I&B Colleague Forum. The Forum represents the voice of colleagues, providing the opportunity to raise issues or areas of concern. It plays a vital advisory role in the shaping of initiatives for our Steering Committee, SteerCo.

Networks. Our current employee networks (African & Caribbean, LGBTQ+, Mental Health, Social Inclusion and Women's) steer, support, lead, champion and celebrate diversity and values.

Corporate Social Responsibility



We believe that the way we run our business can, and should, make a positive difference for our people, our community and the wider environment, and we continually strive to achieve that.

Corporate Social Responsibility (CSR) is embedded into our values and culture. Our approach to CSR aligns with our purpose and it embodies our ways of working by empowering our people to give something back and ensuring we play our part as a positive member of society.

The specific elements of our approach include:

Charitable giving

Isio has decided to support staff in charitable giving through partnering with a national charity. The charity is reviewed every two years and is chosen to complement our purpose. Staff donations to this charity are matched by Isio up to an agreed limit.

We have aligned our volunteering activities to a national charity called MyBnk. This reflects the skills of our people, enabling us to maximise the impact of our community programmes. MyBnk works with young people to help them understand finances as well as delivering financial education programmes targeted at 5–25-year-olds.

Volunteering and public duties

All of our people have the opportunity to use up to six days a year volunteering for our national charity or for other charities of social initiatives local to them.

In addition, we support our staff to engage with their communities through undertaking public duties and grant reasonable time off to do so where appropriate.

Monitoring and reporting our impact

We track the key metrics such as hours donated by our people, funds raised for our national charity and other causes, the engagement of our employees through events and the impact of our support on the chosen charity.



Our commitment to our clients



The investors we advise have an important role to play in improving and driving global action on ESG issues. One client's decision to invest more sustainably can have a significant impact by itself and adds to the momentum we see behind the push to more sustainable approaches.

The choices investors make over the next ten years are vitally important if the world is to limit global heating to 1.5°, reverse the destruction of the natural environment and meet the UN Sustainable Development Goals. Doing the right thing ourselves and helping clients make the right choices takes work and requires careful, considered actions.

We influence over £300bn of investments. The approach taken on sustainability issues makes a tangible difference and we recognise our responsibility. We are committed to helping our clients tackle the challenges and capture the opportunities that lie ahead through the lens of sustainability.

Our [Sustainable Investment Policy](#) sets out further detail on how we work with our clients on sustainability issues. We have a strong track record advising clients in these areas, bringing clarity in three specific ways:

Clear conviction in our advice

We embed scientific reality into all our advice to all our clients. We seek to quantify our clients' exposure to various sustainability risks, in particular climate risk. We will tell them if we see any 'greenwashing' from the firms and funds they invest with. We support clients to develop their own sustainability objectives and we will challenge them if we believe that they can do better.

Challenge tradition to identify opportunities

We advise clients on where their assets can have the greatest impact, whether that be environmental or social. We continue to see exciting opportunities across a number of asset classes and provide advice to clients that align with their beliefs and objectives. We invest in research into non-traditional investment opportunities and challenges. These opportunities can help clients unlock returns available from investing to support sustainable solutions.

Give all clients access to the highest quality advice

We work with a range of clients, including corporate sponsors and trustees of workplace pensions schemes, as well as individual investors. Regardless of size and available resources, we believe all clients deserve access to the latest research and ideas; we challenge them to help them achieve their sustainability objectives. Specifically, we will make sure pension scheme sponsors and their trustees are working together to understand each other's agenda and give a consistent approach.

Our advice is not limited to investments but will encourage all clients to take proper account of sustainability issues when making decisions across all aspects of risks and opportunities.



Our commitment to our suppliers



Ensuring our suppliers meet the same high requirements we apply to our own business allows us to help drive improvements in the supply chain. We partner with our suppliers, delivering support where needed to uphold better standards with regards to equality, diversity and inclusion along with the climate and the use of natural resources.

We depend on our suppliers and we will partner with them to help them meet the high standards we hold for ourselves.

Isio strives to be the best employer we can, and we expect our suppliers to engage with us on their own approach to supporting their workforce.

We require our suppliers to meet our standards. Where issues emerge, we will engage with the supplier to ensure improvement. If that is not achieved we will change supplier.

Supporting the workforce

All Isio's suppliers are required to comply with the Modern Slavery Act.

Isio is an accredited Real Living Wage employer and we will require all our major suppliers and contractors to operate to the same standards. We will require them to talk to us about their approach to equality, diversity, and inclusion.

Climate and use of natural resource

Where possible we will source consumables from environmentally accredited suppliers with clear supply chains.

We will prioritise suppliers who can demonstrate a focus on prolonging the useful life of their product, recycling and low carbon products.

Where proportionate we will engage with our significant suppliers on their environmental footprint as we seek to lower our own scope 1, 2, and specifically scope 3 emissions.

In office supplies such as catering are managed locally and our Office Managers, with support from our Sustainability Champions, are empowered to use local suppliers and to make choices such as focussing on minimising non-recyclable packaging.

Our commitment to our industry



As a challenger brand we are in a great position to influence the status quo and drive real change. A key part of this is that we believe in global collective action. We see collaboration as one of the most successful ways of gaining and sharing knowledge, generating greater momentum, and increasing our impact.

Industry groups

We are signatories to, and supporters of, a range of industry initiatives, including:

- UN Principles of Responsible Investment (UNPRI) signatory
- UK Stewardship Code signatory
- Investment Consultants Sustainability Working Group (ICSWG) member, where we chair the Standardisation workstream, one of the group's three pillars
- Taskforce on Climate-related Financial Disclosures (TCFD) supporter
- Taskforce on Nature-related Financial Disclosures (TNFD) observer
- Pensions for Purpose member

Further information can be found here. The collaborative work that we do clarifies and frames our sustainability thinking and advice, and ensures we are at the forefront of the latest industry thinking.

Challenging the status quo

We also engage with a range of other stakeholders across the industry to continue to ensure progress on sustainability issues.

We regularly engage with asset managers on actions that we identify as part of our annual assessments of their ESG capabilities. This both looks to manage the risk of greenwashing as well as challenges managers on their practices. Each year we raise the bar of what we expect from managers to ensure practices continue to evolve and improve as global understanding of the impact of sustainability issues increases.

We recognise we have a voice, but that it will have greater impact when used in conjunction with those of our stakeholders: our clients, our suppliers, our industry, and society itself. So, we work together, and support each group on their own journey towards a sustainable future that benefits everyone.

We also regularly publish thought pieces on a broad range of sustainability issues that we feel are important as we believe that the investment industry has a key role to play in driving lasting change. A recent example includes a paper showcasing the need to focus on biodiversity risk and what investors can do to support the transition to a nature positive economy.

Digital first approach

We are embracing the digital world, looking for better ways to service our clients and society, making use of technology to improve efficiency as well as reduce waste.

Our commitment to our society

Our clients represent millions of people, whether they are pension fund members, individual investors or employees across the country.

As part of our commitment to promoting solutions to global sustainability issues we will help our clients to educate and engage with all these individuals to help them make better choices.

Transparency

We are committed to be open and clear in our sustainability goals. We report our key metrics and progress towards our targets on an annual basis so that this information is publicly available.

Engaging on sustainability

In our view, Financial Wellbeing and sustainability go hand in hand.

We will help clients to talk to pension scheme members and employees about sustainability and explain why taking sustainability into account when making investment choices, or choosing their employee benefits and other products, is in their interest.

Supporting individuals

We recognise that clients who are investing on behalf of pension members have a fiduciary duty and that not all members feel able to make appropriate choices themselves.

At Isio we have taken the decision, working with our pension governance committee, to provide sustainable default investment choices in our staff pension scheme.

We will engage with all our clients about the choices they may wish to make that could be appropriate in their circumstances.

We will advise clients to take sustainability issues into account when designing and promoting employee benefits packages. We will encourage clients to view their benefits packages through the lens of inclusion and to spot opportunities to improve equity.



At Isio, we understand we have a responsibility to promote solutions to global sustainability issues that help our people, clients and society. We do this through supporting individuals to make better, more sustainable choices, ensuring our own sustainability goals are transparent so we hold ourselves openly accountable to our commitments.



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Learn more about our commitment to creating better outcomes for society [here](#).

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