

SUSTAINABILITY POLICY STATEMENT

A sustainable Chesnara

We are committed to transitioning to become a sustainable group and manage our business for the long-term benefit of all stakeholders, including our customers, shareholders, employees, regulators, suppliers and partners, local communities, and the planet.

Sustainability means fulfilling the needs of the present without compromising the future: a balance of economic growth, environmental protection and social responsibility. As an insurer and provider of financial products, thinking about the long term comes naturally to us and is key to our success. Meeting our sustainability goals means making forward-looking decisions in the interests of all our stakeholders, including our customers, investors, regulators, staff, partners, the planet and its natural resources.

To align the priorities of our stakeholders with the broader priorities of society, we have adopted, either directly or via our outsourced fund management providers, the UN Principles of Responsible Investment and use the UN Sustainable Development Goals as an overarching framework to shape our operations and investments strategies and drive transformative change. We recognise the importance of understanding climate change risk on our operations and our investments and report under the requirements of the Task Force on Climate-Related Financial Disclosures.

We are also signatories to the UN Global Compact and submit an annual Communication on Progress report setting out specific actions taken with regard to the four designated categories covering human rights, labour, environment and anti-corruption.



As a group, we're committed to taking action that will benefit all of our main stakeholders:

OUR CUSTOMERS

We'll continue to provide to our customers the same strong levels of financial security and service we've always done. We'll provide more sustainable investment choices and make sure we're managing policies in line with customers' sustainability choices.

OUR PEOPLE

We'll continue to provide our people with an inclusive, equitable working environment where they feel valued and involved.

OUR INVESTORS

We'll stay attractive to investors by committing to, and taking action to achieve, the long term sustainable future of the company and wider society.

THE PLANET

We'll reduce the impact of human generated climate change and biodiversity loss with a sustainability transition plan that's in line with the Paris Climate Agreement.

THE REGULATOR

We'll update our regulators on our ambitions and achievements, so they can be confident we're a sustainable choice of consolidator for policies and businesses across our target markets.

OUR SUPPLIERS, PARTNERS AND ASSET MANAGERS

We'll actively work with our key asset managers, suppliers and partners to ensure that they all have credible transition plans that align with our own.

Our stakeholders are increasingly making decisions informed by environmental, social and governance credentials, so we're going beyond our regulatory reporting requirements to embed sustainability into Chesnara's everyday decision-making processes.

ENVIRONMENT	We have committed to decarbonising our own operations and the assets we manage, and are currently developing plans to transition to a net zero group. We're continuously collecting, analysing and refining our data so that we can make informed decisions about how to move forward. We're taking action to reduce those operational emissions we can tackle now whilst we develop longer term reduction plans for our financed emissions that are harder to remove.
SOCIAL	From our customers to our colleagues to the communities that we live and operate within – people are at the heart of everything we do. We believe in a fair future for all and are committed to influencing positive social change. We recognise that the journey to a low carbon economy will have significant social and economic impacts on workers, suppliers, communities and consumers, so a just transition to net zero must be an inclusive one.
GOVERNANCE	Governance principles are essential for all companies, no matter how big or small. They provide a framework to manage a business responsibly. The framework requires structures and processes designed to ensure a company's accountability; transparency; compliance with the law; stability, investment and responsiveness to its stakeholders. However, the best governance principles can only be realised by the participation of the employees and business partners, and the company's ability to empower them to perform their roles effectively. A business has to take into account the needs and demands of its many stakeholders and Chesnara is no exception.

Within each of our business units we have established sustainability considerations in their Investment Policy and Investment Committee Terms of Reference. Our leadership teams are committed to improve our processes and sustainability integration, with responsibility ultimately residing with the Chesnara plc Board. To improve the focus on sustainability matters our Board has dedicated agenda time to discuss progress, outcomes and make adjustments to our policies and practices as needed. We also believe that progress on sustainability matters is not solely for our Board and leadership teams and have taken steps to educate, involve and support our workforce and other stakeholders, particularly our suppliers, in delivery of our sustainability objectives.

“Considering the long term is second nature to us. We are ready to play our part to ensure what we do and how we do it is sustainable.”

Steve Murray, CEO Chesnara plc