

Schroders

Schroders IS Limited
TCFD entity-level disclosures



1. Introduction and Compliance Statement

This report is published by Schroders IS Limited ('SISL'), which voluntarily elected to provide entity-level disclosures in advance of the prescribed publication date in June 2024. These disclosures have been made to demonstrate our part in Schroders' commitment to action.

As SISL's approach towards climate risks and opportunities is aligned with the broader Schroders Group approach, where relevant this report relies on and cross-refers to the Group level disclosure in the Climate Report 2023 published by Schroders plc (which is the ultimate parent company of SISL) ('**Group Climate Report 2023**'), available [here](#).

SISL is an advisory and investment solutions business which was acquired by Schroders Group in February 2023 and has been integrated into the group governance process and strategy over the course of 2023. The assets managed by SISL are predominantly invested in funds managed by third party managers, derivative contracts and sovereign bonds which are not in-scope assets for certain metrics and analysis in the Group Climate Report 2023.

This report has been approved by James Barham (Executive Chairman Schroders Solutions). Any information provided by third parties is believed to be reliable but has not necessarily been verified by SISL or the Schroders Plc Group.

Signature: _____



2. Governance

As SISL's governance framework for climate risks and opportunities is consistent with the Group-level governance framework, please see the Governance section of the Schroders plc Climate report 2023.

3. Strategy

As the SISL strategy for climate risks and opportunities is consistent with the Group-level strategy, in both the investments we manage on behalf of our clients and our own operations, please see the 'Strategy' section of the Group Climate Report 2023.

4. Risk Management

As SISL's approach to identifying, monitoring and managing climate risks is consistent with the Group-level risk framework, please see the 'Risk Management' section of the Group Climate Report 2023.

5. Metrics and Targets

As SISL uses the same metrics to assess climate related risks and opportunities at an entity level as the broader Schroders Group, please see the 'Metrics and targets' section of the Group Climate Report 2023. SISL has not set any climate related targets at an entity level but rather is subject to the targets set at Group level.

These metrics and targets will be applied across all the products managed and services provided by SISL, as applicable. However we note that at the time of this report the majority of assets managed by SISL are not in scope under the Group methodology. See further under 'Data Gaps, Estimates and Assumptions' below.

SISL held total assets under management of £30.9 billion as at 31 December 2023.

6. Data Gaps, Estimates and Assumptions

Schroders Group and its underlying entities use MSCI as its primary provider of emissions data. The choice to use a single provider, as far as possible, has been made to facilitate consistency and reduce ambiguity across our emissions metric calculations. We are therefore dependent on MSCI for the coverage of emissions data across our public investments, and we will continue to work with them to encourage increased coverage.

Further to the foregoing, for investments in listed corporate and sovereign securities, MSCI may estimate emissions data where a company has not reported. However, we are engaging with MSCI in this regard and aim to incorporate this data into our systems as soon as it becomes available. As a signatory to the Science Based Target initiative (SBTi), once this data is available, it will in turn enable us to follow the relevant emission and climate data methodologies relating to sovereign bonds approved by the Partnership for Carbon Accounting Financials (PCAF) in our future assessment of relevant holdings and reporting.

7. Methodology

Please see the section entitled 'Our methodology and approach' in the 'Metrics and targets' section of the Group Climate Report 2023 for a description of our approach regarding metrics and targets.

8. Notes on Data Limitations

Please see the section entitled 'Data limitations' in the 'Metrics and targets' section of the Group Climate Report 2023.

9. Delegation

Please see the section entitled 'Supply chain and engagement' in the 'Strategy' section of the Group Climate Report 2023 for a description of how our climate strategy has influenced our decision-making and process by which we (i) delegate functions, (ii) select delegates, and (iii) rely on services, strategies or products offered or employed by third parties including delegates.

10. Materiality

Our approach to materiality is set out on page 9 of the Group Climate Report 2023.