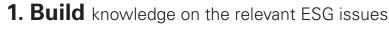
ESG checklist for trustees

Five steps to help you navigate the recent Department for Work and Pensions (DWP) regulatory changes



- "Financially material" considerations cover "environmental, social and governance considerations, including climate change
- ESG issues are not "to do with personal ethics, or optional extras" (as opposed to ethical investing, for example)



- What is the scheme's governance structure?
- Review ESG policies, risks and opportunities throughout the entire investment process



3. Review strategy and asset allocation

- What is the impact on the scheme's assets and liabilities?
- What is the impact on the default and self-select investment strategies?



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4. Incorporate ESG issues into the selection and monitoring of asset managers

- How are asset managers assessed on their ESG activities, including stewardship?
- Do you know what your asset managers are investing in?

5. Report publicly

- Check to see if you are reporting in line with the recommendations of the Taskforce on Climate-related Financial Disclosures
- Use this information to engage your members

For further details please read our full report, ESG 'a checklist' www.lgim.com/esgchecklist

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