

ESG Committee Report

Members

- **Sally-Ann Hibberd**
Chair of the Committee
- **Malcolm Le May**
Committee member
- **Helen Stevenson**
Committee member
- **Rakesh Bhasin**
Committee member

- Four independent Non-Executive Directors make up our ESG Committee. Their biographies can be found on pages 58–61
- The Committee met four times during the year. You can find full details of attendance at Committee meetings on the table on page 64
- The Board Chair, CEO, COO, Group Head of ESG, CPO, CLGO and Chief Risk Officer are standing attendees of the Committee. Representatives from other areas of the business attend the Committee meetings by invitation, as required

FY23 key focus areas

- Oversaw the evolution of the IG Group ESG strategy
- Sought and received insights and feedback from key stakeholders including shareholders to better understand their ESG priorities
- Oversaw a review of the accessibility of IG products and services
- Oversaw the launch and the initial implementation of new client vulnerability processes
- Oversaw the first stages of launching the Financial Freedom Hub
- Oversaw charitable grant-making process

Sally-Ann Hibberd
Chair of the ESG Committee

Chair's overview

I am pleased to present the report of the ESG Committee for the financial year ended 31 May 2023, to share with you our activities during the year and how we have discharged our responsibilities.

The ESG Committee has an important role in providing oversight on behalf of, and advice to, the Board in relation to our ESG strategy and activities. This is the third ESG Committee report, following the Committee's formation in 2020. This year the Committee has continued to take significant steps to ensure principles of responsible and sustainable business are formally embedded across the business.

We are particularly proud of the progress of our vulnerability project, which was launched in FY22 and focuses on developing new tools and systems to identify and support vulnerable clients, putting us at the forefront of client care. In addition, following the findings of an externally facilitated audit into the accessibility of products and services, we have been able to create a strategy for embedding accessibility across the different disciplines. This strategy includes training employees and establishing processes to ensure that accessibility is a consideration in everything that we do, helping us on our roadmap towards a culture of inclusion.

The Committee receives frequent updates on the vulnerability and accessibility projects, which are both integral to help us to meet the needs of our current and future customers. We are also proud of the progress we have made in ensuring that the Group's financial education offering is comprehensive and inclusive. We have achieved this through developing content aimed at those at the very beginning of their journey towards financial freedom – making these available on the Financial Freedom Hub – and also through partnerships with organisations like Teach First.

The Committee has worked closely with our COO, the Executive who is accountable for ESG, as well as our Group Head of ESG and other stakeholders as necessary. The Committee continues to consider the ability of our ESG strategy to reflect our purpose and values. Earlier this year, we evolved the ESG Strategy and governance framework, enabling the Group to position itself as a leader amongst our peers with respect to ESG matters, constantly seeking opportunities to push boundaries and empowering our stakeholders to unlock a brighter future. At each meeting, the Committee reviews progress against agreed metrics under each of the pillars of the ESG strategy – for more details please see our ESG Report on pages 23–36.

ESG Committee Report continued

Throughout the year, the Directors developed their understanding of best practice in areas of responsible and sustainable business by inviting external and internal experts to Committee meetings. These updates on market trends and corporate governance for matters relating to ESG, including within the different jurisdictions in which the Group operates, were delivered with both our internal and external stakeholders in mind, from equity investors, investment advisers, shareholders, and our workforce. We also continued to better understand our exposure to client related risks and ensured that these are considered appropriately in the Group Risk Management Framework.

The Committee has also continued to focus on challenging and supporting the Group in relation to our charitable outreach through Brighter Future initiatives and is particularly proud to have overseen the renewal of our strategic partnerships with Teach First and Teach For All for another three years (see page 25 for more information). In addition, during the year, Directors attended events to learn more about the charity partners that we are supporting around the globe. This included a visit to a Teach First school in the UK, a meeting with the CEO of our Polish strategic partner Women in Technology, and an audience with CEOs from the global Teach For All network. These provided opportunities for the Directors to better understand how we can support their important work (for more information, please see our Teach First Case Study on page 71).

Role of the Committee

The principal roles and responsibilities of the Committee include:

- Advocate and effectively bring greater focus on wider ESG matters within the Company
- Oversight of our ESG strategy and its implementation
- Monitoring and reviewing how the ESG strategy is received and regarded by our stakeholders
- Overseeing how all elements of the ESG strategy are reported externally
- Ensuring that there are appropriate policies in place to effectively support the ESG framework
- Assisting on other matters related to ESG as may be referred to it by the Board
- Oversight of the Brighter Future Fund, the Group's Charitable Giving budget

The Terms of Reference of the Committee, which were last reviewed in May 2023, are available on our website.

Committee Evaluation

An evaluation of Committee performance was undertaken this year in line with the Committee's Terms of Reference, as part of the external Board Evaluation exercise facilitated by Better Boards. I am pleased to report that the results for the Committee were very positive, and details of the Board Evaluation process, outcome and the actions can be found on pages 72–73.

Sally-Ann Hibberd
Chair of the ESG Committee
19 July 2023

Priorities for the year ahead

- Oversee implementation and rollout of the new strands of the ESG strategy, including the metrics and KPIs by which IG will be measured
- Continue to receive input on ESG insights and trends, and listen to the perspective of key internal and external stakeholders, ensuring we have visibility of the ever-developing regulatory environments and best practice around the world, and how these relate to IG
- Scrutinise and support IG's Brighter Future Fund grant making to ensure it remains on track to meet the ambitious target of supporting 1 million people by 2026. This includes, for example, supporting Teach First's initiative to get 200 head teachers into the schools serving socioeconomically challenged communities across England in the next three years
- Communicate to the Board on key activities and workstreams during the year