

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement

The purpose of this Statement is to provide information, which is required to be disclosed in accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, as subsequently amended, including amendments to transpose the EU Shareholder Rights Directive (SRD II) into UK law. In particular, it confirms how the investment principles, objectives and policies of the Trustees' Statement of Investment Principles (SIP) dated August 2020 have been implemented.

It also includes the Trustees' voting and engagement policies, as well as details of any review of the SIP during the year, subsequent changes made with the reasons for the changes (if any). A description of the voting behaviour during the year, either by or on behalf of the Trustees, or if a proxy voter was used, is also included within this Statement. This Statement covers the period 1 February 2023 to 31 January 2024.

The SIP provides further background details on investment arrangements and should be read in conjunction with the Trustees' Annual Governance Statement dated 31 January 2024.

### Investment objectives of the Scheme

The objectives of the Scheme are set out on page 3 of the SIP and are summarised below.

#### Funding Objective

The primary purpose of the DB Section of the Scheme is to ensure, as far as possible, that there are sufficient assets to provide benefits to the Scheme members as and when these fall due.

The primary purpose of the DC Section of the Scheme is to provide pension and lump sum benefits to members on their retirement on a defined contribution basis, as set out in the Trust Deed and Rules.

#### Investment Objectives

The Trustees' high level objectives with regard to investing the DB Section's assets are to:

- Achieve a return which is sufficient over the longer term to meet the Funding Objective.
- Adopt an approach that recognises the need to balance risk with the achievement of a satisfactory investment return.

The Trustees' objectives with regards to investing the DC Section's assets are to adopt a relatively risk-averse approach but recognise the need to balance aversion to risk with the achievement of a satisfactory investment return.

The Trustees have taken into consideration that:

- The liabilities of the DC Section are equal to the assets since these define the benefit promise.
- Members' pension benefits are maximised by achieving maximum investment returns.
- Individual member's financial profiles and attitudes to risk may vary.

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### Stewardship policy

The Trustees' stewardship policy, as set out in the SIP is as follows.

“The Trustees believe that in order to protect and enhance the value of the investments, over the time horizon over which the benefits are paid, they must act as responsible asset owners. The Trustees expect their Investment Managers to exercise their ownership rights, including voting and engagement rights, in order to safeguard sustainable returns over this time frame. On an ongoing basis the Trustees (delegating to the Investment Consultant where appropriate) assess the stewardship and engagement activity of its Investment Managers.”

#### Review of the SIP

The Trustees most recently reviewed the SIP in August 2020. It has been updated after the 2024 Scheme year end.

The Trustees have a policy on financially material considerations relating to ethical, social and governance (ESG) issues, including the risk associated with the impact of climate change. In addition, the Trustees have a policy on the exercise of rights and engagement activities, and a policy on non-financial considerations. These policies are set out later in this Statement and are detailed in the Trustees' SIP.

#### Review of the Investment Strategy

The most recent Investment Strategy Review of the DB section of the Scheme was carried out in December 2023 with the objective of implementing a buyout aware portfolio which delivers a long-term expected return of Gilts +1.1% p.a., whilst also hedging 100% of interest rate risk. The Trustees retained the Scheme's existing LDI holdings and introduced a cash fund and corporate bond fund with Abrdn that can be used to support the liquidity of the LDI assets during rebalancing events and contribute to the interest rate hedge.

The Trustees also reviewed the Scheme's allocation to diversified growth over the year due to the following reasons: the closing of the Fidelity Diversified Growth Fund in November 2023; the closing of the Invesco Global Targeted Returns Fund in January 2024; and the merging of the Abrdn Standard Life Global Absolute Return Strategies Fund with the Abrdn Diversified Growth and Income Fund in December 2023. As part of the wider strategy review process, the allocations to these funds were removed from the Scheme's portfolio and consolidated through an investment in the BNYM Real Return Fund.

For the DC Section, a review of the Default Strategy was made during 2023 following the closure of the Abrdn Standard Life Dynamic Multi-Asset Growth Fund and the aforementioned fund merger impacting the Abrdn Standard Life Global Absolute Return Strategies Fund. It was agreed by the Trustees that there would be no changes to the overall fund structure of the default arrangement, with the Abrdn Standard Life Managed Pension Fund and the Abrdn Diversified Growth and Income fund chosen as direct, like-for-like replacements for the two funds undergoing closure.

Following the strategy reviews for both the DB and DC Sections of the Scheme, new SIPs have been drafted for each section and these will be reviewed by the Trustees in due course.

The Trustees will review the asset allocation, and may change those shown in the table below, at least every three years. Similarly, the Trustees will review the choice of the investment managers at least every three years.

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### Investment managers and funds in use

In alignment with the Scheme's investment objectives, the Trustees have put into effect the strategic asset allocation outlined in the table below:

#### DB Section

Asset Class	Investment Manager	Fund	Target Asset Allocation
<b>Diversified Growth</b>	BNY Mellon	Real Return Fund	30%
	Cohen & Steers	Diversified Real Assets Fund	
<b>Corporate Bonds</b>	Abrdn	Corporate Bond Fund	15%
<b>Absolute Return Bonds</b>	LGIM	Absolute Return Bond Fund	10%
<b>Cash</b>	Abrdn	Deposit and Treasury Fund	9%
<b>Liability Driven Investment</b>	Abrdn	LA Nominal Profile Fund	36%
<b>Total</b>			<b>100.0%</b>

#### DC Section

Asset Class	Investment Manager	Fund
<b>Equities</b>	<b>Abrdn</b>	Standard Life Vanguard FTSE UK All Share Index Fund
		Standard Life Overseas Equity Tracker
<b>Diversified Growth Funds</b>	<b>Abrdn</b>	Standard Life Diversified Growth and Income Fund
		Standard Life Managed Pension Fund
<b>Government Bonds</b>	<b>Abrdn</b>	Standard Life Vanguard UK Government Bond Index Fund
		Standard Life Vanguard UK Long Duration Gilt Index Fund
<b>Cash</b>	<b>Abrdn</b>	Deposit and Treasury Fund
<b>Total</b>		

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### DC Section – Default Investment Strategy

The default investment strategy, Default Lifestyle, used for members invested in the DC Section is set out below:

Period prior to member's normal retirement age	Investment Default Approach
<b>Up to 10 years prior to normal retirement age</b>	<p>The default will invest as below:</p> <ul style="list-style-type: none"> <li>30% Abrdn Standard Life Vanguard FTSE UK All Share Index Fund</li> <li>30% Abrdn Standard Life Managed Fund</li> <li>40% Abrdn Standard Life Diversified Growth and Income Fund</li> <li>0% Abrdn Standard Life Vanguard UK Government Bond Index Fund</li> <li>0% Abrdn Standard Life Deposit and Treasury Fund</li> </ul>
<b>From 10 years before normal retirement age</b>	<p>Phased switches are made between the funds to achieve the following allocation:</p> <ul style="list-style-type: none"> <li>0% Abrdn Standard Life Vanguard FTSE UK All Share Index Fund</li> <li>15% Abrdn Standard Life Managed Fund</li> <li>35% Abrdn Standard Life Diversified Growth and Income Fund</li> <li>35% Abrdn Standard Life Vanguard UK Government Bond Index Fund</li> <li>15% Abrdn Standard Life Deposit and Treasury Fund</li> </ul>

#### Investment Governance

The Trustees are responsible for making investment decisions and seeks advice as appropriate from Broadstone Corporate Benefits Limited ('Broadstone'), as the Trustees' investment consultant.

The Trustees do not actively obtain views of the membership of the Scheme to help form their policies set out in the SIP as the Scheme is comprised of a diverse membership, which the Trustees expect to hold a broad range of views on ethical, political, social, environmental, and quality of life issues.

The Trustees have put in place strategic objectives for Broadstone, as the Trustees' investment consultant, as required by the Investment Consultancy and Fiduciary Management Market Investigation Order 2019 and now the Pensions Regulator. These strategic objectives cover demonstration of adding value, delivery of specialist investment consultancy services, proactivity of investment consultancy advice, scheme management, compliance and service standards.

The strategic objectives were put in place in November 2019, and are reviewed every three years. There were no changes to the objectives put in place for Broadstone which were last reviewed November 2022. The Trustees are due to formally review these objectives by November 2025 or earlier.

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### Trustee Policies

The table below sets out how, and the extent to which, the relevant policies in the Scheme's SIP have been followed:

Requirement	Policy	Implementation of Policy
<b>Financially and Non-Financially Material Considerations</b>	The Trustees believe that the consideration of financially material Environmental (including climate change), Social and Governance (ESG) factors in investment decision making can lead to better risk adjusted investment returns. The Trustees expect their Investment Managers, when exercising discretion in investment decision making, to take financially material ESG factors into account. On an ongoing basis the Trustees (delegating to the Investment Consultant where appropriate) assess the ESG integration capability of their Investment Managers. Where ESG factors are non-financial (i.e. they do not pose a risk to the prospect of the financial success of the investment) the Trustees believe these should not drive investment decisions. The Trustees expect their Investment Managers, when exercising discretion in investment decision making, to consider non-financial factors only when all other financial factors have been considered and in such a circumstance the consideration of non-financial factors should not lead to a reduction in the efficiency of the investment. Members' views are not sought on non-financial matters (including ESG and ethical views) in relation to the selection, retention and realisation of investments.	No deviation from this policy over the year to 31 January 2024
<b>Voting Rights and Engagement</b>	The Trustees believe that in order to protect and enhance the value of the investments, over the time horizon over which the benefits are paid, they must act as a responsible asset owner. The Trustees expect their Investment Managers to exercise its ownership rights, including voting and engagement rights, in order to safeguard sustainable returns over this time frame. On an ongoing basis the Trustees (delegating to the Investment Consultant where appropriate) assess the stewardship and engagement activity of their Investment Managers.	No deviation from this policy over the year to 31 January 2024

#### Financially and non-financially material considerations

The Trustees note that the manner by which financially material ESG factors will be taken into account in an investment strategy or pooled fund offering will depend on the underlying asset classes within the pooled fund offering and the management style (e.g. active or passive).

The Trustees are satisfied that the funds the Scheme currently invested in the DB Section and DC Section of the Scheme are managed in accordance with their views on financially material considerations, as set out below, and in particular with regards to the selection, retention, and realisation of the underlying investments held.

This position is monitored periodically. As part of the monitoring process, the Trustees have access to updates on governance and engagement activities by their investment managers, and input from their investment advisors on ESG matters. These views are also taken into account when appointing and reviewing an investment manager.

The Trustees acknowledge that they are delegating the consideration of financially material factors in relation to determining the underlying holdings to their investment managers, given they are investing in pooled funds.

The Trustees invest across a range of asset classes and styles. The Trustees expect the investment managers to take into account ESG considerations by engaging with the underlying companies and where relevant, by exercising voting rights on these companies.

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

A summary of the Trustees' views for each of the Scheme's asset classes is outlined below:

Asset Class	Actively or Passively Managed?	Comments
<b>Equities</b>	Passive	The Trustees acknowledge that the Investment Managers must invest in line with specified indices and, therefore, may not be able to disinvest from a particular security if they have concerns relating to ESG. The Trustees do expect the Investment Managers to take into account ESG considerations by engaging with companies that form the index, and by exercising voting rights on these companies.
<b>Diversified Growth</b>	Active	The Trustees expect the Investment Managers to take financially material ESG factors into account, given the active management style of the funds and the ability of the manager to use its discretion to generate higher risk adjusted returns. The Trustees also expect their Investment Managers to engage with the underlying investee companies, where possible, although they appreciate that fixed income assets within the portfolio do not typically attract voting rights.
<b>Corporate Bonds</b>	Active	The Trustees expect the Investment Managers to take financially material ESG factors into account, given the active management style of the funds and the ability of the manager to use its discretion to generate higher risk adjusted returns. The Trustees also expect their Investment Managers to engage with the underlying investee companies, where possible, although they appreciate that fixed income assets within the portfolio do not typically attract voting rights.
<b>Government Bonds</b>	Passive	The Trustees believe there is less scope for the consideration of ESG issues to improve risk-adjusted returns in this asset class because of the nature of the securities.
<b>Liability Driven Investments (LDI)</b>	Active	The underlying assets of the LDI solution consist of government bond funds and derivative contracts, with no underlying investee companies as such. Therefore, the Trustees believe there is less scope for the consideration of ESG issues to improve risk-adjusted returns in this asset class because of the nature of the securities.
<b>Cash</b>	Passive	The Trustee believes there is limited scope for the consideration of ESG issues to improve risk-adjusted returns in this asset class because of the nature of the investment.

### Voting rights and engagement activities

The Trustees currently invest in pooled investment funds with the investment managers, and they acknowledge that this limits their ability to directly influence the investment managers. In particular, all voting activities have been delegated to the investment managers, as the Trustees do not have any administrative mechanism to cast a vote in line with their views on the underlying holdings, given the pooled nature of the Scheme's investments. The Trustees' stewardship policy is detailed at the start of this document although this has not been shared with the investment managers to influence what they believe to be the most significant votes.

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### Voting rights and engagement activities (continued)

Within the current investment arrangements across both DB and DC Sections, six funds that the Scheme invest in contain publicly listed equity holdings. The Scheme was also invested in the Invesco Global Targeted Returns Fund for the majority of the Scheme year which contained publicly listed equity holdings, hence its inclusion in the below table. These funds have voting rights attached to these underlying equities, and the Trustees have delegated these voting rights to the investment managers, where they will set their own voting policy. A summary of the votes made by the investment managers from 1 February 2023 to 31 January 2024 on behalf of the Trustees for each fund currently used by the Scheme is provided in the table below:

Manager	Fund	Resolutions voted on	Total Resolutions Voted:		
			For	Against	Abstained
<b>Newton</b>	BNY Mellon Real Return Fund	1,131	92%	8%	0%
<b>Cohen &amp; Steers</b>	Diversified Real Assets Fund	2,632	92%	7%	1%
<b>Abrdn/Vanguard</b>	Standard Life Vanguard FTSE UK All Share Index Fund*	10,194	99%	1%	0%
<b>Abrdn</b>	Standard Life Overseas Equity Tracker Fund**	n/a	n/a	n/a	n/a
<b>Abrdn</b>	Standard Life Diversified Growth and Income Fund	8,569	86%	13%	1%
<b>Abrdn</b>	Standard Life Managed Pension Fund	5,448	90%	9%	1%
<b>Invesco</b>	Global Targeted Returns Fund	3,649	96%	4%	0%

\* Voting data provided by Vanguard covers 1 January 2023 to 31 December 2023.

\*\* No votes made on behalf of the Trustees

Information regarding proxy voting is detailed below:

- **Newton** utilises an independent voting service provider for the purposes of managing upcoming meetings and instructing voting decisions via its electronic platform, and for providing research.
- **Cohen & Steers** utilise the service of a third-party proxy advisory firm, Institutional Shareholder Services Inc. (ISS), to assist in monitoring voting rights, voting proxies, and conducting related research.
- **Abrdn** utilise the services of ISS for all their voting requirements.
- **Vanguard** Investment Stewardship utilises the Institutional Shareholder Services (ISS) ProxyExchange platform for the execution of their votes.
- **Invesco** utilises ISS and Glass Lewis services for voting recommendations for company shareholder meetings and also uses the Institutional Voting Information Service for corporate governance research for UK securities.



## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### Significant votes

The Trustees have requested details of the significant votes made on behalf of the Trustees by the investment managers. In determining significant votes, the investment managers will take into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny;
- Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at annual Stakeholder roundtable event, or where we note a significant increase in requests from clients on a particular vote;
- Sanction vote as a result of a direct or collaborative engagement;
- Vote linked to an engagement campaign, in line with Investment Stewardship's 5-year ESG priority engagement themes.

The Trustees believe the following represents the significant vote undertaken on their behalf over the scheme year:

SIGNIFICANT VOTE – Newton	
Company	Unilever Plc
Date	03 May 2023
% of portfolio invested in firm	1.15% of the BNY Mellon Real Return Fund
Resolution	Approve Remuneration Report
Why significant	The failed vote outcome owing to significant shareholder dissent also merits this vote as significant.
How voted	<b>VOTED AGAINST (against management)</b>
Manager Comments	<i>"We voted against executive pay arrangements owing to significant pay increases granted to executive(s) and the absence of a compelling rationale for this. The vote outcome is a clear indication of shareholder dissatisfaction with pay decisions made at the company during the year under the review. The company has reached out to shareholders and we have communicated our concerns and reasons for adverse vote recommendations. We will continue exercising future votes in support of our views surrounding significant salary increases and alignment between pay and performance."</i>
Vote outcome	58% Against

SIGNIFICANT VOTE – Cohen & Steers	
Company	GLI
Date	16 May 2023
% of portfolio invested in firm	1.26% of the Diversified Real Assets Fund
Resolution	Report on Lobbying and Political Donations
Why significant	We voted in accordance with our voting and engagement policies to promote better practices which we believe is important in acquiring greater value for the issuer.
How voted	<b>VOTED AGAINST PROPOSAL (with management)</b>
Manager Comments	<i>"We voted against this proposal because it appeared politically driven and redundant given the company's existing disclosures. The proposal requested a report on whether the company's lobbying and political donations align with its net-zero goals. The company's current spending on lobbying is minimal relative to its EBITDA, and such disclosures are not standard in the industry. Our fiduciary duty focuses on ensuring that resources are used efficiently to support long-term shareholder value."</i>
Vote outcome	Not approved (80% voted against)



## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### Significant votes (continued)

SIGNIFICANT VOTE – Abrdn	
Company	Unilever Plc.
Date	03 May 2023
% of portfolio invested in firm	Not disclosed by Abrdn
Resolution	Approve remuneration report
Why significant	<p>Significant Vote Category 1 ("SV1"): High Profile Votes</p> <ul style="list-style-type: none"> <li>• Focus on votes which received public and press interest with a focus on our large, active holdings</li> <li>• Focus on votes which reflect significant governance concerns regarding the company</li> <li>• Resolutions proposed by Abrdn</li> </ul>
How voted	<b>VOTED AGAINST (against management)</b>
Manager Comments	<i>"SV1: The incoming CEO's salary has been set higher than his predecessor's and is significantly higher than his current salary at Royal Friesland Campina, and UK market peers. The Company has not provided compelling justification for this remuneration package."</i>
Vote outcome	Fail

SIGNIFICANT VOTE – Vanguard	
Company	BP Plc.
Date	27 April 2023
% of portfolio invested in firm	Not disclosed by Vanguard
Resolution	Approve Shareholder Resolution on Climate Change Targets
Why significant	Not disclosed by Vanguard
How voted	<b>VOTED AGAINST (with management)</b>
Manager Comments	<i>"Determined the proposal addressed material risk(s) and company had taken sufficient actions and/or had related actions pending to address the proponent request."</i>
Vote outcome	Fail

SIGNIFICANT VOTE – Invesco	
Company	Ming Yang Smart Energy Group Co., Ltd.
Date	17 May 2023
% of portfolio invested in firm	>1% IVZ Ownership
Resolution	Approve External Guarantee
Why significant	>1% IVZ Ownership and Includes Key ESG proposal
How voted	<b>VOTED AGAINST (against management)</b>
Manager Comments	<i>"A vote AGAINST is warranted because there is lack of disclosure on the pertinent details of this loan guarantee request. The outcome of the vote did not meet our desired voting intention. We will continue to monitor the company on this issue and engage as necessary."</i>
Vote outcome	Pass

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### Engagement activities

The notable engagement activities of the investment managers over the last 12 months is provided below:

- **Newton** – On the 1 February 2023, Newton organised a call with Scor's board chair Denis Kessler, post the sudden departure of ex-CEO Laurent Rousseau. Newton felt that the board chair's continued presence and his long history leading the company, could potentially mean he is too involved in the day-to-day operations which might impede the vision of the management team. Therefore, Newton asked the chair to publicly recommit that he would not extend his mandate post his term end in 2024, which should help the corporate governance profile of the board and calm markets with the sudden change in the CEO position. As a result of this engagement, the board chair did publicly recommit that he would not extend his term beyond 2024 around the earnings update in March and this was later re-communicated ahead of the upcoming 2023 AGM.
- **Cohen & Steers** engaged with a prominent real estate investment entity's independent Chairman and other independent Board members throughout 2022 and 2023. Several meetings were held to discuss the company's underperformance and strategies for improvement. The company faced challenges related to capital misallocation, inconsistent operational execution, suboptimal alignment of compensation and stock with investor interests, and inadequate Board oversight. Cohen and Steers held discussions that focused on exploring avenues for operational and governance enhancements, with periodic follow-ups to monitor progress. As a direct result of these strategic engagements, significant leadership changes were implemented by the end of 2023. The incumbent CEO resigned, making way for a highly credentialed executive to take the helm as CEO in 2024, marking a new phase in the company's growth trajectory. Furthermore, the Chairman announced plans to retire in 2024, with a commitment to active Board renewal.
- **Abrdn** engaged with Vale, one of the largest iron ore and base metal producers in the world. The Mining and Metals production sector is exposed to high-risk and high-impact environmental and social issues. Abrdn saw an opportunity for Vale to move from a laggard to an ESG improver, creating value for all stakeholders. The initial engagement was focused on corporate governance but expanded to include issues such as safety and risk management amongst other ESG topics. Abrdn nominated the first two fully independent directors to Vale's Board of Directors and advocated for the improvement of safety and operational standards. Additionally, Abrdn supported the single share listing of Vale under Novo Mercado, its main investment vehicle. The outcome of these multi-year long engagements saw Vale listed under Novo Mercado, with a single share class, strengthening its Board of Directors with a better balance of skills and greater independence. Vale strengthened its safety & risk management governance and process, implementing new technologies, promoting better alignment within its internal governance, and embedding ESG and Health & Safety in management's KPIs. It also disclosed an ESG roadmap, with a key feature being the company's commitment to Net Zero by 2050. Going forward, Abrdn have said they will monitor Vale's progress in the initiatives of its ESG roadmap.

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### Engagement activities (continued)

- **Vanguard** engaged with Sasol Ltd. leaders ahead of the company's rescheduled annual meeting to discuss several topics, including the board's oversight of climate-related risks. In their engagement, Sasol leaders shared that the board had embedded climate risk oversight as a strategic focus area. The board chair also provided an overview of the various considerations for evaluating the board's composition and evolution, particularly focusing on the need for technical engineering skills to equip the company to execute on its energy transition. As a result of Vanguard's engagement with Sasol leaders, Vanguard determined that the board conveyed a clear rationale for putting the climate report up for a shareholder vote (including that shareholders asked the company to do so), articulated the governance implications of the vote and existing board practices for overseeing material climate risks, and provided robust reporting in line with the ISSB framework.
- **Invesco** engaged with Coca-Cola Co to discuss the company's progress towards their net zero targets. The company shared an overview of the different facets of their ESG strategy and approach to include addressing water, land use, climate, and overall governance. The company identified water sustainability as a critical area of focus and demonstrated that the company utilizes sufficient resources to enable the company to assess water stress levels and ensure that all facilities meet the established water objectives. Coca Cola is also focused on forest land agriculture sustainable practices by establishing an approach for stronger supplier engagement through CDP and individual engagement across their supply chain. The company also shared their effort to move towards a world without plastic packaging and their goal to move towards design and recyclables that can be used based on 90% of recyclables. However, Coca Cola stated they were not ready to provide a clear timeframe for the new disclosures towards the 1.5 degrees target. Similarly, the company shared they have faced challenges in the renewable energy regulatory environment and the company highlighted a higher focus and emphasis in the EMEA and Asia regions versus the North American region. The company's progression to reach their net zero objectives is positive in their subsidiaries, however, the parent company is lagging. They have set significantly lower targets in Scope 1, 2 and 3 compared to their subsidiaries and Invesco questioned their low targets for medium term and that there are no targets past 2030, which is a laggard among peers. Invesco will monitor closely for progress given the company shared they are working towards resetting targets to align with a 1.5 degrees achievement.

Signatories to the UNPRI (United Nations Principles for Responsible Investment) will receive an overall 'score' which represents how well ESG metrics are incorporated into managers' investment processes. The investment managers will submit a transparency report on their processes across different categories which is then assessed by the UNPRI and graded in a formal report.

For the 2023 UNPRI Assessment Reports, scores are presented as a 'star' rating ranging from ★ to ★★★★★, with more stars representing a higher score.

## Trustees' Report – Investment Matters (continued)

### Statement of Investment Principles – Implementation Statement (continued)

#### Engagement activities (continued)

The latest available UNPRI scores of the Investment Managers are outlined in the table below:

Manager	UNPRI Score
Newton	★★★★★
Cohen & Steers	★★★★
Abrdn	★★★★
Vanguard	★★★
Invesco	★★★★
Median	★★★

The Trustees also consider the investment manager's policies on stewardship and engagement when selecting and reviewing an investment manager.

#### Monitoring of Investment Arrangements

In addition to any reviews of the investment managers or approaches, and direct engagement with the investment managers (as detailed above), the Trustees receive performance reports on a quarterly basis from Broadstone and the investment managers to ensure the investment objectives set out in their SIP are being met.

**Signed:** [David Edmonds](#) [Darren Beddard](#)

**Date:** [27 August 2024](#)

**On behalf of the Trustees of The British Racing Drivers' Club Limited Pension & Life Assurance Scheme**