

Implementation Statement

Bush Boake Allen Pension Scheme

Engagement Policy Implementation Statement for the year ended 31 December 2023

Introduction

The Trustee of the Bush Boake Allen Pension Scheme has a fiduciary duty to consider its approach to the stewardship of the investments, to maximise financial returns for the benefit of members and beneficiaries over the long term. The Trustee can promote an investment's long-term success through monitoring, engagement and/or voting, either directly or through their investment managers. Given the Scheme's investment strategy the Trustee recognises there is little scope for engagement activity or impact. A residual allocation remains invested in the Schroders European Property Fund however as this fund is being liquidated there are no voting powers.

This statement sets out how, and the extent to which, in the opinion of the Trustee, the policies (set out in the Statement of Investment Principles dated May 2021 and subsequently December 2023) on the exercise of rights (including voting rights) attaching to the investments, and engagement activities have been followed during the year ending 31 December 2023.

The Trustee, in conjunction with their investment consultant, select their investment manager and choose the specific pooled funds to use in order to meet specific Scheme policies. They expect that their investment manager to make decisions based on assessments about the financial and non-financial performance of underlying investments (including environmental, social and governance (ESG) factors, and that they engage with issuers of debt or equity to improve their performance (and thereby the Scheme's performance) over an appropriate time horizon. AVCs are not considered for reasons of materiality.

The Trustee also expects their investment manager to take non-financial matters into account as long as the decision does not involve a risk of significant detriment to members' financial interests.

Stewardship - monitoring and engagement

Stewardship is the responsible allocation, management and oversight of capital to create long-term value for members and beneficiaries leading to sustainable benefits for the economy, the environment and society.

The Trustee recognises that the investment manager's ability to influence the companies in which they invest will depend on the nature of the investment.

The Trustee's policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment manager and to encourage the manager to exercise those rights. The investment manager is expected to make available regular reports detailing any voting activity.

The Trustee's policy is to delegate responsibility for engaging and monitoring investee companies to the investment manager and it expects the investment manager to use their discretion to maximise financial returns for members and others over the long term.

The Trustee reviews each investment manager prior to appointment and monitors them on an ongoing basis through the regular review of the manager's policies, and behaviour.

The Trustee has not set out its own stewardship priorities but follows that of the investment managers.

The Trustee will engage with a manager should they consider that manager's voting and engagement policy to be inadequate or if the voting and engagement undertaken is not aligned with the manager's own policies, or if the manager's policies diverge significantly from any stewardship policies identified by the Trustee from time to time.

Implementation Statement (continued)

Stewardship - monitoring and engagement (continued)

If the Trustee finds any manager's policies or behaviour unacceptable, it may agree an alternative mandate with the manager or decide to review or replace the manager.

As all of the non bulk annuity assets are held in pooled vehicles, the Trustee does not envisage being directly involved with peer-to-peer engagement in investee companies.

Investment manager engagement policies

The Scheme's investment manager is expected to have developed and publicly disclosed an engagement policy. This policy, amongst other things, provides the Trustee with information on how the investment manager engages in dialogue with the companies it invests in and how it exercises voting rights. It also provides details on the investment approach taken by the investment manager when considering relevant factors of the investee companies, such as strategy, financial and non-financial performance and risk, and applicable social, environmental and corporate governance aspects.

Links to the investment manager's engagement policy or suitable alternative is provided in the Appendix.

These policies are publicly available on the investment manager's website.

The Trustee is comfortable that these policies are broadly in line with the Scheme's chosen stewardship approach.

Exercising rights and responsibilities

The Trustee recognises that different investment managers should not be expected to exercise stewardship in an identical way, or to the same intensity.

Given the nature of the investments, the investment managers are not expected disclose voting behaviour, the most significant votes cast or report on the use of proxy voting advisers.

Trustees' assessment

The Trustee has, in its opinion, followed the Scheme's voting and engagement policies during the year, by continuing to delegate to each investment manager the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes.

The Trustee has considered the environmental, social and governance information for the fund/investment manager, which includes consideration of engagement activities where appropriate.

Where the information provided indicates any areas of concern, the Trustee may consider whether and how to engage with the investment manager.

The Trustee has reviewed the investment manager's policies and reporting relating to their stewardship of the investments and have found them to be acceptable at the current time.

Appendix

Links to the Engagement Policies for the investment manager can be found here:

Investment manager	Engagement policy (or suitable alternative)
Schroders	https://www.schroders.com/en-ch/ch/professional/insights/sustainable-investment-report-q4-2023/