VAN LANSCHOT KEMPEN

INVESTMENT MANAGEMENT

Engagement Policy Implementation Statement

LAUREL PUB PENSION SCHEME

28 February 2023

1. Introduction

The Directors of the Laurel Pension Trustee Company Limited (the "**Trustee**") are obliged, acting in their capacity as Trustee of the Laurel Pub Pension Scheme (the "**Scheme**"), to prepare an annual statement setting out how they have complied with the Statement of Investment Principles (the 'SIP'), including:

- A description of any amendments to the SIP during the period covered by the statement.
- How and the extent to which, in the opinion of the Trustee, compliance with the SIP has been achieved.
- How the Trustee has demonstrated good stewardship over investments, which includes:
  - a description of how, and the extent to which, policies on investment rights (including voting) and engagement described within the SIP have been complied with;
  - a description of voting behaviour made by or on behalf of the Trustee; and
  - a statement on any use of the services of a proxy voter.

This statement relates to the period from 1st March 2022 to 28th February 2023 (the 'reporting period'), and has been prepared in accordance with regulatory requirements and guidance published by the Pensions Regulator. This statement is based on the SIP that applied during the period, the latest of which is available at http://www.stonegategroup.co.uk/laurel-pub-pension-scheme/.

The Scheme is a trust-based defined benefit plan with no formal defined contribution section. However, the Scheme does hold money purchase benefits in relation to the historic transfers into the Scheme for a small group of members. There are also money purchase Additional Voluntary Contributions ("AVCs") provided by the Scheme for members who have historically paid AVCs into the Scheme. At the date of the SIP, these members' AVCs are invested in funds managed by Scottish Widows Investment Management (UK) Limited and/or Utmost.

2. Amendments to SIP

There were no material changes to the governance arrangements of the Scheme during the reporting period, nor to the investment policy, nature of risks, fees or stewardship practices. As a result, the SIP has not been amended during this reporting period.

After the reporting period, the Trustee implemented the outcome of a funding and investment review undertaken in collaboration with its professional advisors and the Employer. This resulted in amending the investment strategy to reduce risk and target returns of Gilts + 1.0% (previously Gilts + 1.6%). A new SIP was adopted with effect from 11 April 2023, replacing the previous SIP dated 5 January 2022.

3. Compliance with SIP

The Trustee monitors compliance with the SIP annually. In particular, it obtains confirmation from its fiduciary manager, Van Lanschot Kempen Investment Management (VLK) and other advisors that they have complied with the relevant SIP insofar as is reasonably practicable and that in exercising any discretion they have done so in accordance with Occupational Pension Schemes Regulations.

In particular, the Trustee received periodic investment reports and investment updates from VLK that provided:

- details of the asset allocation, and whether the allocations are consistent with the investment policies specified in the SIP,
- details of the value of the Scheme's investments, and the estimated value of the liabilities from which an estimated funding level can be determined,

- progress of the funding level with respect to funding targets,
- details of the performance of the individual investments, including relative to a benchmark,
- details of the performance of the total investments, including relative to the target return and investment objectives,
- details of the hedging of the interest rate and inflation risks associated with the liabilities, and whether the hedging is working as expected, and compliant with the bandwidths specified in the SIP,
- details of the investment risk of the underlying investments, and the change in the total investment risk over time,
- the responsible investment characteristics of the underlying investments, and
- details of the engagement behaviour of both VLK and the underlying investment managers they appoint on behalf of the Trustee, including their voting behaviour.

The Trustee reviewed the information provided by VLK and its other advisors, and are satisfied that the policies set out in the SIP have been followed, including for:

- investing the assets according to the investment policy and the investment strategy advised and implemented by VLK,
- choosing suitable investments to achieve the right balance between risk and return, so as to ensure the security, quality, liquidity and profitability of the Scheme's assets,
- managing the key risks of the Scheme appropriately,
- monitoring the underlying managers of the investments, and the performance of those managers relative to the objectives,
- managing ESG risks (financial material considerations) appropriately (note that non-financial matters, such as member views, are not taken into consideration), and
- exercising of the rights (including voting rights) attaching to investments.

A summary of the engagement behaviour of both VLK and the underlying investment managers they appoint on the Trustee's behalf is provided in the sections below. This includes information on voting behaviour, and votes considered significant by each of the investment managers. The Trustee has no influence on the managers' definitions of significant votes but have noted these and is satisfied that they are all reasonable and appropriate.

4. Stewardship – VLK monitoring and engagement behaviour

Background

The Trustee recognises its responsibilities as an owner of capital, and believes that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments.

The Trustee does not monitor or engage directly with issuers of, or holders of, debt or equity, but instead delegates this activity to VLK and to the underlying asset managers appointed by VLK. The Trustee expects VLK to undertake regular monitoring and engagement in line with its' own corporate governance policies, taking account of current best practice including the UK Corporate Governance Code 2018 and the UK Stewardship Code 2020.

VLK expect the underlying asset managers they select, and who are regulated in the UK, to comply with the UK Stewardship Code 2020, including public disclosure of compliance via an external website. VLK also expect those managers to exercise rights attached to their investments, including voting rights, and to engage with issuers of debt and equity and other relevant persons about matters such as performance, strategy, management of actual or potential conflicts of interest, and environmental, social and governance ("ESG") considerations.

The Trustee relies on Scottish Widows Investment Management (UK) Limited and Utmost for engagement with issuers or other holders of debt and equity in relation to the AVCs. The latest AVC review was carried out in August 2023.

ESG criteria are a set of non-financial indicators relating to a company's operations that are used by investors to evaluate corporate behaviour and to determine how it may impact the future financial performance of companies. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

There are several levels of engagement at VLK: they engage with the asset managers they appoint, with companies they invest in directly (e.g. within VLK products), and via collaborative engagement with industry stakeholders, such as regulators, industry initiatives, benchmark providers, and peers.

VLK monitoring of underlying asset managers

Whilst VLK has limited influence over an asset manager's investment practices where assets are held in pooled funds, it has, throughout the last 12 months, encouraged its chosen managers to improve their own stewardship and engagement practices, and consider ESG factors and their associated risks. VLK uses the following methodology to monitor and engage with the underlying asset managers:

- ESG criteria are assessed based on international conventions and initiatives, such as the UN Global Compact and the Principles for Responsible Investment (PRI);
- All managers are screened against ESG criteria before inclusion in VLK's approved manager list. For example:
  - does the manager have a responsible investment policy;
  - is the manager open for a dialogue on ESG criteria; and
  - does the manager have exposure to companies that are on VLK's exclusion & avoidance list?
- All managers are reviewed against ESG criteria on an ongoing basis. For example:
  - do responsible investing considerations continue to be integrated into their investment process;
  - is the manager making progress;
  - is the manager well informed and up-to-speed on ESG criteria and initiatives; and
  - is there periodic screening of all the underlying equity and debt securities held by managers within their investment products, to check for exclusion candidates?
- VLK encourages its chosen managers to improve their practices where appropriate.

VLK have created a proprietary scoring framework (the Sustainability Spectrum) to help them understand and evaluate how asset managers integrate various ESG factors into their investment products and processes. Within this framework, asset managers and their products (i.e. pooled funds) are classified into one of 5 different levels: Compliant (level 1), Basic (level 2), Avoid harm (level 3), Do better (level 4), Do good (level 5).

1. Compliant

The solution offered to the client meets legal requirements but there is no proactive consideration of ESG factors beyond this.

2. Basic

The investment takes minimal steps to go beyond compliance in order to avoid reputational risks.

3. Avoid harm

In this approach, the client is an active owner with a clear climate and stewardship policy in place, and the investments take ESG factors into consideration with some balance between risk, return, cost and sustainability. ESG integration is not a primary driver of decision-making but clients invest sustainably and avoid harm. Active ownership approach including engagement and own voting policy is actively encouraged.

4. Do better

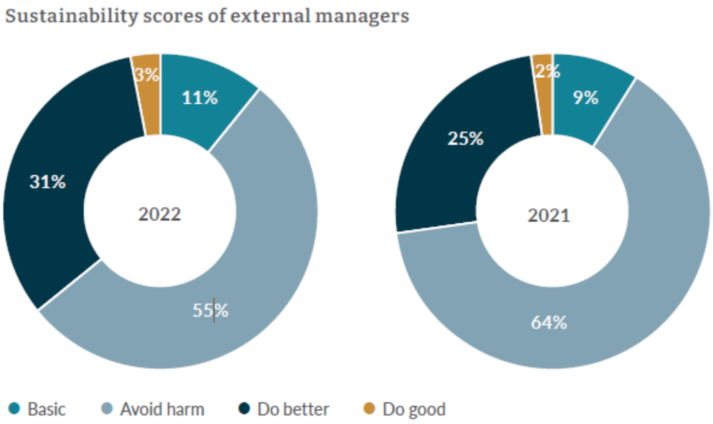
In this 'flavour' client's intention is to benefit stakeholders. The goal is to build a sustainable portfolio for the client. The investment applies on inclusion or a best in class approach, with sustainability ambition translated into policy, implementation and reporting. Climate related ambitions are set. Higher thresholds of exclusion in areas such as animal welfare, labour and human rights and environmental harm are applied. Active ownership including a strong engagement and ambitious voting policy is expected.

5. Do good

In this 'flavour' client's intention is to contribute to solutions to global sustainability challenges such as the Sustainable Development Goals. The investments drive positive real world outcomes on clients' behalf. This tends to be in the form of a thematic or SDG-aligned investment approach, and investee companies are expected to drive a certain proportion of revenues from sustainability solutions.

Scoring listed funds

Over 2022 VLK have continued to apply this scoring methodology to rate the ESG characteristics of the underlying managers and investment products used within client strategies. They scored 385 listed funds by the end of 2022, which represents around 58.4% of VLK's AuM. The pie charts below show a breakdown of how the external managers in listed asset classes scored, ranging from 'Basic' to 'Do Good'. As a percentage of scored AuM, 11% of the funds scored 'Basic', 55% scored 'Avoid harm', 31% scored 'Do better' and 3% of the AuM fell under managers scoring 'Do good'.



VLK do not offer Compliant or Basic products proactively to their clients. Those products that scored within these categories were either legacy investment products that have been adopted from clients transitioning to their fiduciary solution, or older products from their Approved List (including some in passively managed solutions) which they are in the process of replacing with more sustainable investment products (an exercise that they have been undertaking for a number of years).

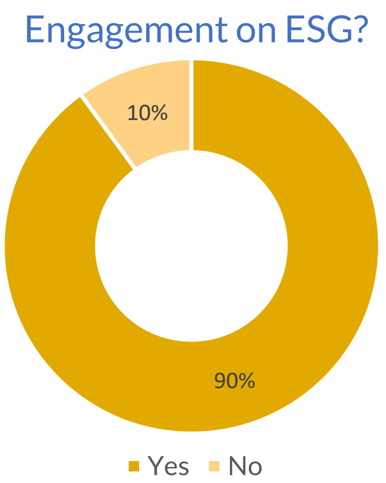
Scoring alternative funds

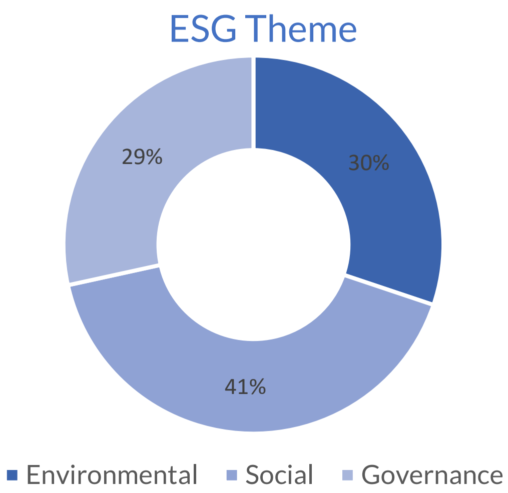
In 2022, VLK continued to assess funds in private markets and alternative asset classes. Although the ESG scores are not completely aligned with the listed asset classes mentioned above, they do give a good indication about the sustainability approach of the underlying managers. In 2022, 91 underlying funds have been assessed on ESG, of which 15 scored Basic; 28 scored Avoid harm; 38 scored Do better; and 10 scored Do good. The scores of Basic and Avoid harm is not unexpected, it has historically been more challenging for alternatives to apply sustainability in a similar way to the listed funds.

VLK engagement & examples

In order to help external managers to improve their sustainability and ESG characteristics, VLK will regularly engage with them on their sustainability commitments and performance. In 2022 VLK proactively engaged with 80 managers which can be broken down to 39 listed external managers, 31 private markets managers, and 10 managers linked to alternative strategies. VLK's expert Manager Research Solutions Team engages with external managers on compliance with VLK's exclusion list, on alignment with VLK's sustainability ambitions and those ambitions of their clients.

The pie charts below show the proportion of those engagements linked to an ESG topic, and where those topics were linked to ESG, which theme was the focus of the engagement.





Below are some specific engagement examples relevant to the Scheme's portfolio, which show how VLK are monitoring and engaging with underlying managers with respect to stewardship and ESG criteria.

Example 1:

Engagement type	Engagement on specific companies/industries (other)
Engagement topic	Social
Manager	Insight
Funds/mandates involved	Maturing Buy and Maintain Funds (MBAM)
Company	Volkswagen
Reason for engagement	Insight has exposure to Volkswagen, a name that has been added to VLK's exclusion list on the back of the MSCI ESG Red Flag it received relating to employment conditions in China.
Summary of discussion with manager	**Prelude:** Insight had communicated before that they do not buy companies with MSCI ESG red flags within the MBAM funds. Volkswagen was already a name in a couple of the MBAM funds and Insight continue to hold the company debt while digesting the red flag and consider engagement. Our expectation was that there would be a hasty positive resolution within a reasonable time frame, but it has now been 3 months since we first reached out to Insight with no change. We therefore scheduled an update call to fully understand the situation. **Update from Volkswagen**: They explained that the VW China CEO visited the Urumqi plant to review the situation. The VW statement that followed this visit mentioned that employment of the 240 employees at the Urumqi plant predate the initial MSCI ESG allegations with employment of over four years. All employees have individual contracts with the JV, and minorities are fully (17% of employees are Uyghur) supported by policies and pay is higher than the industry average in the region. **Update from MSCI ESG:** No real update from MSCI ESG. MSCI ESG has updated the VW case recently but only referred to the additional VW communication. **Insight's view:** Insight plans to continue its engagement with Volkswagen. They think that an independent audit / NGO review is the best solution to conclude this case. Insight also thinks that a sale of the JV stake is unlikely as there will be political backlash, even though they recognize the underutilization and relative irrelevance of the plant in Volkswagen's overall operations. **Insight's positioning:** Insight continues to maintain its 'hold' position on the bonds in the MBAM portfolios. They do not want to be forced sellers in this case and think the company is doing what it can do to resolve the case and Insight will continue to push for the independent audit. Given the complexity of the situation and the fact that the case is still very 'engagement worthy' Insight also does not want to impair performance/yields of the MBAM funds. At the same time Insight seems to become more likely to be a seller as relative valuation moves further towards the pre-red-flag levels (spreads tightening) and Insight also expects the case to be resolved in about a year's time. If VW cannot resolve this case (e.g., via an independent audit) in the coming year this is a clear sign of governance and culture issues at the firm.
Conclusion	Insight seems to be aligned with VLK's timelines to resolve the case in the coming year. Our view is that their engagement approach means there is a realistic chance this complex case will be resolved.
Next steps	Continue to engage with Insight and ask for updates on this topic during our quarterly monitoring process.

Example 2:

Engagement type	Engagement on specific companies/industries
Engagement topics	Social (tobacco)
Manager	Davidson Kempner
Funds/mandates involved	Davidson Kempner International (BVI), Ltd.
Company	British American Tobacco Plc
Reason for engagement	Davidson Kempner is one of the underlying managers within the Kempen Distressed Debt Pool, and alternative asset class. The reason for this engagement is Davidson Kempner ("DK") has a long position (c.10bps of overall fund NAV) in British American Tobacco Plc ('BAT') within its Merger Arbitrage book. BAT is on VLK's exclusion list because it's a tobacco producer, so we initiated an engagement process with DK.
Summary of discussion with manager / engagement results	At this point in time, tobacco companies do not feature on DK's ESG exclusion list and therefore the portfolio managers ('PMs') are allowed to invest in these companies. DK is in the process of rolling out an upgraded ESG policy and they will start using Sustainalytics as an ESG data provider. The PMs will receive training on the new ESG policy, however it's not clear however whether tobacco companies will be excluded in that new policy. We have shared our tobacco exclusion policy with DK and hope we have triggered them to at least consider excluding tobacco in their new ESG policy. We have also indicated that we will keep on orange flag on ESG as long as they remain invested in BAT and explained that this could have ramifications for our investment in DKIL in the medium-term.
Conclusion	DK clearly is playing catch-up on the ESG front, as if often the case with alternative managers. It is still unclear whether tobacco companies will be excluded in the new ESG policy. DK furthermore concluded that as the new ESG policy has not been rolled out, it's too early to start having a thorough conversation on the inclusion of tobacco companies with the PMs. Though we understand this from an efficiency point of view, it also shows excluding tobacco – and ESG in general - is not really on top of their minds. As long as DK is invested in BAT we will keep the orange flag on ESG.
Next Steps	Have a follow-up once DK has rolled out their new ESG policy and the PMs have had training on the new ESG policy.

Example 3:

Engagement type	Engagement item with an ESG element to it
Manager	Libremax
Funds/mandates involved	LibreMax K Core Securitized Credit Fund, Ltd.
Reason for engagement	Libremax is a US manager, and one of the underlying manages within the Kempen Diversified Structured Credit Pool. The reason for this engagement is due to their ESG questionnaire score lagging most other long-only managers active in traditional public asset classes, with a score of 42% overall. Sub scores are 26% on commitment, 52% on ESG integration, 40% on Evidence and transparency, and 50% on Exclusions. This call was planned to explain our position and also explain how LibreMax might improve the funds ESG characteristics.
Summary of discussion with manager	Overall they were happy to hear feedback from VLK regarding our scoring of the fund, and we provided an update on the Sustainable Finance Disclosure Regulation ('SFDR') regulations. SFDR aims to improve transparency for investors by requiring financial institutions to disclose a greater amount of information on their products. The information disclosed depends on the classification. Article 6 products are required to disclose the integration of sustainability risk in funds, regardless of whether the fund is promoted as having any environmental and/or social characteristics. Article 8 and 9 products promote environmental and/or social characteristics or have sustainable investment as a core objective, and are therefore required to disclose details on a variety of sustainability and ESG topics. We explained to Libremax that the new SFDR regulations will initially just provide transparency, but over time these new regulations will likely put pressure on SFDR 6 funds to improve their sustainability characteristics. We also explained that one of the European managers within our pool, Aegon, has been able to classify itself as an article 8 fund (i.e. products that promote environmental and/or social characteristics, but do not have sustainable investing as a core objective). It was positive to hear from them that Libremax would be interested to understand how they could also become an article 8 fund. Libremax now rates all the instruments they invest into and is actually able to report this across the whole firm. The rating methodology seems a little unstructured, and starts with the 'sector' rating but takes into account specific considerations with respect to the company, the securitization, the securitized collateral, the originator, sponsor, servicer and related companies. The rating scale is from 1 (Adequate – ESG concerns related to the investment are immaterial) to 2 (Adequate - despite concerns) to 3 (Inadequate – Significant ESG concerns with no active attempt at engagement and remediation). Libremax additionally looks into data providers (Moody's and Fitch) for ESG-related information. Furthermore they work with consultants (ACA) for their UNPRI reporting and also work with BlueDot Capital to develop ESG policies and investing at Libremax. We also discussed their DEI policy and initiatives, and raised the lack of a climate policy and they directly mentioned that this was feedback they also got from BlueDot. Another point raised was setting up a biodiversity policy. Overall Libremax seems to be open to add to, and enhance, their policies. This makes us feel that we can easily advance the dialogue with Libremax to set up more policies and refine the existing ones, even though ESG integration is not always easy because of the nature of the asset class. Libremax also share their latest UNPRI assessment report. They score 57 on investment & stewardship policy (just below the median), and 59 on the securitized module (just above the median) based on 2020 data, and some ESG improvements have taken place since then.
Conclusion	Libremax seems to be on the right track and it was positive to hear that they are interested to move to an SFDR 8 like solution, even though it is likely that actual implementation is still far out. Libremax does not have dedicated ESG director - it seems that they have consciously chosen to work with external consultants which might fill part of this gap.
Engagement Results	A positive outcome from the engagement was that Libremax would share a basic overview of their engagement activities with us. This was demonstrated during the call, and whilst basic in nature it shows that Libremax actually has something to show regarding engagements in this asset class. The main result is that we improved our understanding of Libremax' ESG mindset and set up, which has improved since the initial due diligence we performed at appointment.
Next Steps	Share some of the ideas we have and discuss these topics during our next monitoring call: - Formulating a climate policy with a reference to the Paris Agreement - Formulating a biodiversity policy - Referencing/committing to global norms in the ESG policy (e.g., OECD/UNGC guidelines/principles) - Ask which industry associations they support/have looked into - Suggest scoring methodology to score specific elements of the securitization

Collaborative engagement

By participating in collaborative engagement initiatives with industry peers, VLK can increase the effectiveness and leverage of their engagement activities. VLK can initiate a collaborative engagement or join existing engagement initiatives, such as Climate Action 100+. VLK assess which collaborations fit best with their values and engagement targets on a case by case basis. In addition, VLK collaborate with other asset managers and asset owners where engagement objectives are aligned. In 2022 VLK became a supporter of the newly launched PRI collaborative effort on social themes, called Advance.

With the tangible effects and growing risks associated with climate change, VLK have prioritised engaging on climate related issues. This covers additional emissions disclosures, emission mitigation efforts, or the development of cleaner technologies. VLK expect external asset managers they select to be aligned with the Paris Agreement and set emission reduction targets. In 2022, VLK were an active member of several initiatives, most notably:

- IIGCC Climate Action 100+
- Platform Living Wage Financials
- FAIIR
- Access to Medicine Foundation
- Investor Alliance on Human Rights

In terms of VLK's involvement in industry initiatives, they are an active member of PRI and several of its working groups (Corporate Reporting Reference Group, SDG Advisory Committee, Hedge Fund Advisory Committee), the GIIN (Global Impact Investing Network), and the ICGN (International Corporate Governance Network). They are also a signatory to the Dutch and UK Stewardship Codes.

5. Stewardship – asset manager voting and engagement behaviour

The Shareholder Rights Directive (SRD II) and The UK Stewardship Code 2020 both emphasise the importance of institutional investors and asset managers engaging with the companies in which they invest, and stress the importance of exercising shareholder voting rights effectively.

Via VLK's monitoring and engagement activities, the Trustee encourages all its asset managers to be engaged investors, and furthermore encourages the managers to report on these activities and to disclose information about responsible investing on their website and in their reporting.

The assets are invested in a diverse range of asset classes, however the intention of this section of the statement is to provide specific details of the voting and engagement behaviour of the equity managers who manage equity investments which have voting rights attached, as well as the engagement behaviour of the fixed income corporate bond managers. Alternative assets and government bonds are excluded.

While managers may have used proxy voters, the Trustee has not used proxy voting services themselves during the last 12 months.

EQUITY MANAGERS' RESPONSE

Northern Trust Company – NT Emerging Markets ESG Leaders Equity Index Fund

Voting Statistics: April 2022 – March 2023	
Fund / Mandate Information	
What is the Fund's International Securities Identification Number (ISIN) (if applicable)	IE00BDCLL976
Question	**Response**
How many meetings were you eligible to vote at?	824
How many resolutions were you eligible to vote on?	8,233
What % of resolutions did you vote on for which you were eligible?	99%
Of the resolutions on which you voted, what % did you vote with management?	87%
Of the resolutions on which you voted, what % did you vote against management?	12%
Of the resolutions on which you voted, what % did you abstain from voting?	2%
In what % of meetings, for which you did vote, did you vote at least once against management?	46%
Which proxy advisory services does your firm use, and do you use their standard voting policy or created your own bespoke policy which they then implemented on your behalf?	ISS. A custom bespoke policy is applied to this strategy.
What % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy advisor? (if applicable)	0%
Notes: Figures may not total 100% due to a variety of reasons, such as lack of management recommendation, scenarios where an agenda has been split voted, multiple ballots for the same meeting were voted differing ways, or a vote of 'Abstain' is also considered a vote against management.	

Most significant votes: Northern Trust Company – NT Emerging Markets ESG Leaders Equity Index Fund

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
Company name	Shenzhen International Holdings Limited	EVE Energy Co., Ltd.	CECEP Wind-Power Corp.	Britannia Industries Limited	Arca Continental SAB de CV.
Summary of the resolution	Approve Auditors and authorise Board to fix their remuneration	Amend Working System for Independent Directors	Amend Rules and Procedures Regarding Meetings of Board of Directors	Approve Remuneration Payable to Nusli N Wadia as Chairman and Non-Executive Director	Approve Remuneration of Board Committee Members; Elect Chairman of Audit and Corporate Practices Committee
How you voted	Against	Against	Against	Against	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	N/A	N/A	N/A	N/A	N/A
Rationale for the voting decision	The non-audit fees exceeded the total audit fees paid to the company's audit firm in the latest fiscal year without satisfactory explanation.	The company has not specified the details and the provisions covered under the proposed amendments.	The company has not specified the details and the provisions covered under the proposed amendments.	Proposed remuneration is deemed high for a non-executive role. The commission pay-out of Nusli Wadia in FY2022 is higher than the performance incentive of the CEO. The company has not provided any compelling rationale to justify the pay-out.	The names of the director and committee candidates are not disclosed. The company has bundled the election of directors into a single voting item; and undisclosed bundled director election proposals disenfranchise shareholders voting by proxy.
Outcome of the vote	Pass	Pass	Pass	Pass	Pass
Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	Northern Trust believe that all votes against management send a strong signal of their dissatisfaction with the company's practices.	Northern Trust believe that all votes against management send a strong signal of their dissatisfaction with the company's practices.	Northern Trust believe that all votes against management send a strong signal of their dissatisfaction with the company's practices.	Northern Trust believe that all votes against management send a strong signal of their dissatisfaction with the company's practices.	Northern Trust believe that all votes against management send a strong signal of their dissatisfaction with the company's practices.
On which criteria have you assessed this vote to be the "most significant"?	Vote against management	Vote against management	Vote against management	Vote against management	Vote against management

BOND MANAGERS' RESPONSE

Insight Investment Management – Buy and Maintain Bond Fund 2041-2045

Voting Statistics: April 2022 – March 2023	
Fund / Mandate Information	
What is the Fund's International Securities Identification Number (ISIN) (if applicable)	IE00BHNGQZ06
Question	**Response**
How many entities did you engage with over the last 12 months which were relevant to this strategy?	41
What percentage of entities in the portfolio have you engaged with at some point over the 12 months?	70.68%
What is the approximate total weight of the entities in the portfolio you have engaged with at some point over the 12 months?	71.21%
How many times have you proactively raised a specific issue of concern with an entity (initiated by you rather than the entity)	Not available.
How many times did you undertake a meeting/call with the board or chair of the board to discuss a matter or matters	1
How many times did you undertake a meeting/call with member(s) of C-suite to discuss a matter or matters	33
How many times did you undertake a meeting/call with a different individual (not covered in categories above) to discuss a matter or matters	55
Have you participated in collaborative engagements	Not available.

Engagement Case Studies - Insight Investment Management – Buy and Maintain Bond Fund 2041-2045

Name of entity you engaged	Motability Operations
Year engagement was initiated	Q1 2022 & Q3 2022
Theme of the engagement	Governance - Remuneration and Environmental - emissions
Objective(s) from the engagement	Insight wanted to follow up on executive remuneration, which they discussed at length with Motability in 2021. They left the previous meeting satisfied with their responses regarding the introduction of more modest remuneration packages which were deemed more appropriate for the business. However, when reviewing their latest disclosures, Insight were concerned that executive pay still looked very high given the lack of competition in the market. Insight wanted to have a more detailed discussion with Motability about their sustainability strategy and plans for the future. Their engagement centred on three key areas: financing, Motability's provision of electric vehicles (EVs) and its carbon footprint.
Please describe the engagement method. For example: - Who you have typically engaged with (and at what seniority level) - The extent of written communication and meetings - How the engagement approach has evolved over time - Any escalation that has occurred	ESG engagement with Motability began in 2021 and this was their second discussion to follow-up on the key concerns around remuneration. The CFO of Motability was on the call and the lead Insight analyst led the call. All engagements have been on a one to one basis to date.
Please comment on the outcomes from this engagement so far. For example: - What was the result of any escalation you employed? - Have you met your stated objective? - What actions or changes by the entities have occurred? - Was the outcome purely a financial benefit or is there also a wider societal or environmental benefit?	Insight are happy to see some developments in Executive remuneration, but do not feel that it goes far enough given the lack of competition in the market. They will continue to engage with Motability with the intention of further influencing modest pay. Motability have yet to set a coherent ESG strategy with targets to measure performance. Motability stated that they were attempting to address our concerns going forward. Insight will closely monitor their progress, reviewing their Science Based Targets (SBTs) and Sustainability Report as and when they are published and look to reengage early in 2023. Insight continue to hold Motability bonds.

Insight Investment Management – Buy and Maintain Bond Fund 2046-2050

Voting Statistics: April 2022 – March 2023	
Fund / Mandate Information	
What is the Fund's International Securities Identification Number (ISIN) (if applicable)	IE00BK1MB907
Question	**Response**
How many entities did you engage with over the last 12 months which were relevant to this strategy?	34
What percentage of entities in the portfolio have you engaged with at some point over the 12 months?	62.96%
What is the approximate total weight of the entities in the portfolio you have engaged with at some point over the 12 months?	63.98%
How many times have you proactively raised a specific issue of concern with an entity (initiated by you rather than the entity)	Not available.
How many times did you undertake a meeting/call with the board or chair of the board to discuss a matter or matters	1
How many times did you undertake a meeting/call with member(s) of C-suite to discuss a matter or matters	30
How many times did you undertake a meeting/call with a different individual (not covered in categories above) to discuss a matter or matters	42
Have you participated in collaborative engagements	Not available.

Engagement Case Studies - Insight Investment Management – Buy and Maintain Bond Fund 2046-2050

Name of entity you engaged	Heathrow
Year engagement was initiated	Q3 2022
Theme of the engagement	Environmental - Net Zero strategies
Objective(s) from the engagement	Heathrow airport the largest and busiest Airport in the UK. Insight's engagement objectives included encouraging Heathrow to strengthen and consolidate its net zero strategy (particularly on Scope 3), encouraging Heathrow's participation in the Climate Disclosure Programme (CDP) and obtaining the Science Based Targets initiative (SBTi), which enables private sector action to set ambitious science-based emissions reduction targets.
Please describe the engagement method. For example: - Who you have typically engaged with (and at what seniority level) - The extent of written communication and meetings - How the engagement approach has evolved over time - Any escalation that has occurred	This was Insight's first deep dive engagement with Heathrow on ESG topics. CO_2 poses a significant challenge for Heathrow and the sector in general, given the materiality of its Scope 3 emissions and the lack of any clear technological solution to decarbonise the sector. 99.9% of Heathrow's carbon emissions are Scope 3 (95% derives from aircraft flying and moving on the ground, 3.6% are surface access and 1.1% stem from its supply chain. Heathrow has targeted to achieve Net Zero by 2050 including scope 3. Its 2030 targets include: ▪ a 15% reduction in CO_2 emissions from flying (mainly from use of sustainable aviation fuel SAF). ▪ a 45% cut in CO_2 from surface access, supply chain, vehicles and buildings. The airport faces two challenges in its effort to decarbonise: 1. the degree to which it can influence airlines to decarbonise fleets. 2. its net zero plan relies on technology which is costly and / or unproven (e.g. SAF, hydrogen plane etc.) Heathrow is working with SBTi to obtain certification; they are hopeful they will receive it before year-end.
Please comment on the outcomes from this engagement so far. For example: - What was the result of any escalation you employed? - Have you met your stated objective? - What actions or changes by the entities have occurred? - Was the outcome purely a financial benefit or is there also a wider societal or environmental benefit?	Heathrow were aware of the Climate Disclosure Programme (CDP), and were keen to understand how Insight use the data. Insight have requested that they participate in future. In Q1 2023, Heathrow received approval from the Science Based Targets Initiative (SBTi) for their 2030 carbon reduction targets, confirming they are consistent with a 1.5 degree trajectory. Heathrow is the first airport to achieve this status with SBTi's updated 1.5 degree standard. Insight will continue to hold their bonds.

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