

The Julius Baer UK Staff Pension and Life Assurance Scheme

Annual Engagement Policy Implementation Statement

1. Introduction

This statement sets out how, and the extent to which, the policies in the Statement of Investment Principles ('SIP') produced by the Trustee has been followed during the year. This statement has been produced in accordance with The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 and the guidance published by the Pensions Regulator.

2. Investment Objectives of the Scheme

The Trustees' main objective is to invest the Scheme's assets in the best interest of the members and beneficiaries. To this end, the Trustee has set a longer term objective to buy out all of the Scheme's liabilities. As an interim step, an annuity policy for all remaining members has been purchased in the form of a buy-in with an annuity provider (i.e. an insurance company). The insurance company selected is Aviva Life & Pensions UK Limited ("Aviva").

3. Policy on ESG, Stewardship and Climate Change

The Scheme's SIP includes the Trustees' policy on Environmental, Social and Governance ('ESG') factors, stewardship and Climate Change. This policy sets out the Trustees' beliefs on ESG and climate change and the processes followed by the Trustees in relation to voting rights and stewardship. This was last reviewed in March 2020.

The Trustee believes that ESG factors may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration.

However, the Trustee notes that all of the assets of the Scheme are held within an annuity policy and hence there is no longer any scope to directly integrate ESG, Stewardship and Climate Change considerations into their investment strategy.

The annuity provider is empowered to manage ESG risk, assess ESG factors as a potential source of return (where appropriate), and exercise stewardship obligations in accordance with current best practice, including the UK Corporate Governance Code and UK Stewardship Code.

The following sets out how the Trustees' stewardship, engagement and voting policies were followed and implemented during the year.

4. Stewardship monitoring

Over the year Stewardship activities were not a relevant consideration for the Trustee given the nature of the investments.

5. **Engagement**

Over the year engagement activities were not a relevant consideration for the Trustee given the nature of the investments.

6. **Voting**

Over the year voting activities were not a relevant consideration for the Trustee given the nature of the investments.