

Implementation Statement

Annual Engagement Policy Implementation Statement for the year ended 29 February 2024

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 of the Julius Baer UK Staff & Life Assurance Scheme 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.

In completing this statement the Trustee believes it has followed the policies required under regulation 2(3)(c) of the Occupational Pension Schemes (Investment) Regulations 2005 during the relevant Scheme year.

2. Investment Objectives of the Scheme

The Trustee's 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, a bulk 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 Trustee's policy on Environmental, Social and Governance ('ESG') factors, stewardship and Climate Change. This policy sets out the Trustee beliefs on ESG and climate change and the processes followed by the Trustee 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 a bulk 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.

Aviva's own statement on responsible investment can be found at the following link:
<https://www.aviva.com/sustainability/embedding-sustainability/responsible-investment/>.

The below sets out how the Trustee's stewardship, engagement and voting policies were followed and implemented during the year.

4. Stewardship monitoring

Stewardship activities were not a relevant consideration for the Trustee over the Scheme year given the nature of the investments. It is possible that Aviva may at times hold equity as part of the portfolio of assets that backs the annuity policy (although these holdings would be expected to be minimal, Aviva does not share this information).

5. Engagement

Over the year, engagement activities were not a relevant consideration for the Trustee given the nature of the investments. It is possible that Aviva may at times hold equity as part of the portfolio of assets that backs the annuity policy (although these holdings would be expected to be minimal, Aviva does not share this information).

6. Voting

Voting activities were not a relevant consideration for the Trustee over the Scheme year given the nature of the investments. Aviva do have a set voting policy which may, at Aviva's discretion, apply to a portion of the assets backing the annuity policy. However, Aviva are not able to provide this information to the Trustee.

The Julius Baer UK Staff Pension & Life Assurance Scheme

Annual Report for the year ended 29 February 2024

Trustee's Report

Further information

Further information about the Scheme is given in the explanatory booklets which have been issued to all the relevant members.

Approval

The Trustee's Report on pages 2 to 10 was approved by the Trustee and signed on their behalf by:

Capital Cranfield

Date: 18 September 2024