

The Hadley Industries PLC Pension and Life Assurance Scheme

Implementation Statement 1 May 2022 – 30 April 2023

The 2019 Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations (“the Regulations”) require that the Trustees outline how they have ensured compliance with the policies and objectives set out in their Statement of Investment Principles (SIP) over the course of the year under review.

During the year, the Scheme’s assets were invested:

- In a direct commercial property, and
- In a portfolio managed by a single discretionary wealth manager, Brown Shipley.

The Trustees’ policies on ESG considerations and the exercise of voting rights

The Trustees believe that environmental, social and governance (“ESG”) issues do not have a material financial impact on investment returns. The Trustees have given their fund manager their full discretion when evaluating ESG issues and in exercising rights, engagement activities, and stewardship obligations attached to the Scheme’s investments. The Trustees have not given their manager any instructions or restrictions regarding these matters.

The Trustees’ policy is to delegate the exercise of voting rights to their managers.

Full details of the Trustees’ Stewardship and Engagement policies are included in the Scheme’s SIP, which is available on request.

Stewardship

Brown Shipley is a signatory to the UK Stewardship code and UN Principles for Responsible Investment (UN PRI). The UN PRI are a set of global best practices that provide a framework for integrating ESG issues into financial analysis, investment decision-making and ownership practices.

Voting behaviour

Brown Shipley have been unable to provide details of their specific voting records in relation to the assets held by the Trustees during the period. They have, however, provided details of their firm-wide voting and engagement behaviour, as shown in Appendix A. Further information regarding Brown Shipley’s Active Ownership policy is available on request from the Scheme’s Trustees.

Reviews of fund managers

The Trustees reviewed the performance of the investments regularly throughout the period. The Trustees did not formally review the provision of fund management services during the period.

Statement of compliance with Regulations

The Trustees are pleased to report that, during the period under review, they have in their opinion adhered to the policies set out in their SIP and have complied with the Regulations.

Appendix A – summary of Brown Shipley firm-wide voting behaviour

Key voting facts 2022



Breakdown of meetings by region



Europe
61

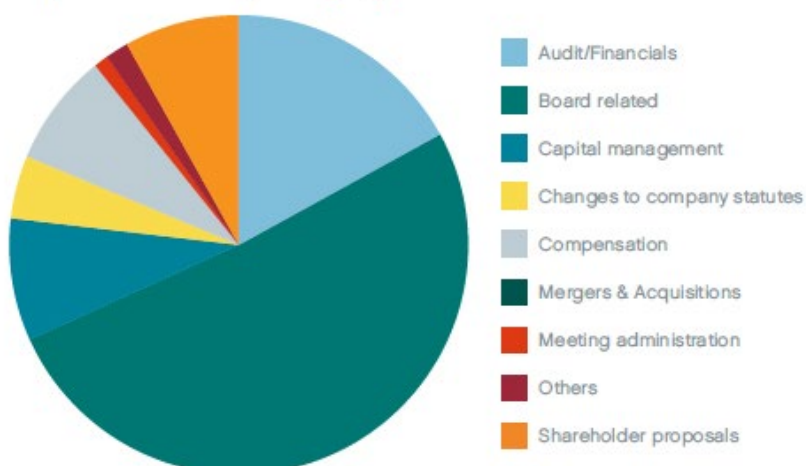


North America
18



Others
3

Proposals voted by category



985

Management
proposals voted



87

Shareholders
proposals voted



Our **voting group** comprises representatives of diverse investment teams overseeing voting decisions.

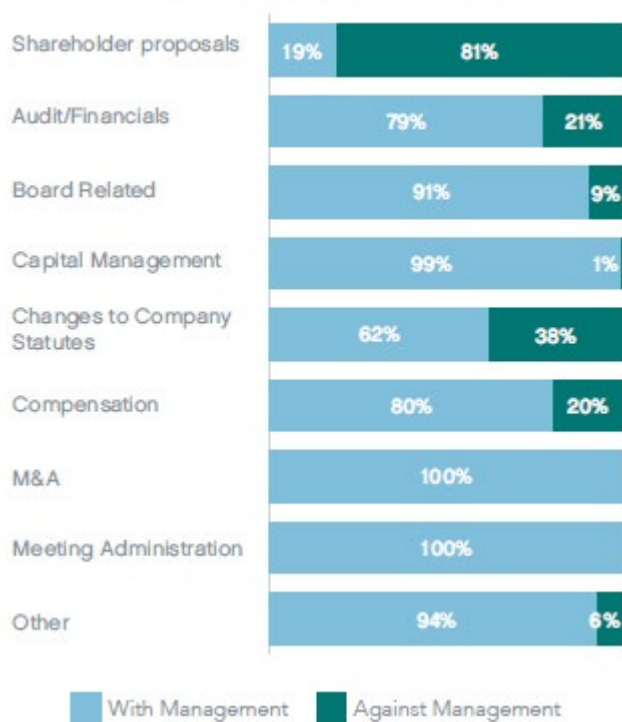


Support for **environmental proposals**: 92%¹. This is almost triple the industry average².



Support at **social proposals**: 89%¹. This is more than triple the industry average².

Votes compared to management



Proposal statistics

| PROPOSAL CATEGORY TYPE | FOR | AGAINST | ABSTAIN | 1 YEAR |
|---|------------|-----------|-----------|----------|
| Totals | 925 | 99 | 47 | 1 |
| Audit/Financials | 144 | 17 | 22 | 0 |
| Board Related | 497 | 45 | 5 | 0 |
| Capital management | 92 | 1 | 0 | 0 |
| Changes to company statutes | 29 | 1 | 17 | 0 |
| Compensation | 68 | 17 | 0 | 0 |
| Mergers and acquisition | 2 | 0 | 0 | 0 |
| Meeting administration | 10 | 1 | 0 | 0 |
| Other | 15 | 1 | 0 | 0 |
| Shareholder proposals: compensation related | 3 | 1 | 0 | 0 |
| Shareholder proposals: environment related | 12 | 0 | 1 | 0 |
| Shareholder proposals: governance related | 11 | 8 | 1 | 0 |
| Shareholder proposals: social related | 39 | 4 | 1 | 0 |
| Shareholder proposals: miscellaneous | 3 | 3 | 0 | 0 |