Harlan UK Limited Occupational Pension Scheme

Implementation Statement for the Year Ended 31 August 2023

In endeavouring to invest in the best financial interests of the beneficiaries, the Trustee has elected to invest in pooled funds and cannot therefore directly influence the environmental, social, and governance policies and practices of the companies in which the pooled funds invest. The Trustee excludes non-financial matters in the selection, retention and realisation of investments. The Trustee has no formal policy on either Environmental, Social and Governance (ESG) or delegation of voting rights. Instead, it has delegated the responsibility for these matters to its chosen investment managers used on the Mobius Life investment platform. The managers report quarterly on ESG matters, including their voting activity, although not always at the level of the specific funds held. The only investment where voting rights are applicable for this Scheme is for any equity-based sub-funds used within the diversified growth fund. The bonds held within the bond funds used do not generally involve voting rights. There have been no changes to the Trustee's policies, nor any departures from their policies, during the year.

As the Trustee uses pooled funds, the asset managers are not incentivised to align their investment strategy and decisions with the Trustee's policies, nor are they incentivised to make decisions based on assessments about medium to long-term performance of an issuer of debt or equity, nor to engage with those issuers in order to improve their performance. However, the managers may make such decisions and/or engage of their own accord. As the Trustee uses pooled funds, there is no targeted portfolio turnover or turnover range. As the Trustee uses pooled funds, it does not need to have an engagement policy in relation to monitoring the capital structure of companies they invest in, or any associated potential conflicts of interest.

This statement was agreed by the Trustee on 19 March 2023.