

**BROWN BUTLIN GROUP LIMITED RETIREMENT
BENEFIT SCHEME**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

IMPLEMENTATION STATEMENT

Period covered: 1 October 2023 - 30 September 2024

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.

The Trustees' Stewardship and Engagement policies are included in the Scheme's SIP, which is available on request.

The Trustees are aware that as all investments are held in pooled funds, the Trustees can only view, rather than influence, their managers' ESG and stewardship behaviour including the exercise of voting rights. The Trustees' policy is to delegate the exercise of voting rights to their managers.

Changes to the SIP regarding stewardship and engagement during the Period

At a meeting held on 3 October 2023 the Trustees agreed to proceed with the purchase of a Bulk Annuity Policy with Legal and General which was actioned on 7 December 2023. The SIP was updated on 23 January 2024 to reflect the changes in investments.

The SIP can be accessed here:

<https://www.hutchinsons.co.uk/wp-content/uploads/2024/08/BBG-Statement-of-Investment-Principles-signed-23-01-2024.pdf>

Reviews of fund managers' ESG policies, stewardship and voting behaviour

Stewardship

The Scheme's assets are largely invested with Legal and General Assurance (Pensions Management) Limited. Legal and General Assurance (Pensions Management) Limited is a member of the United Nations Principles for Responsible Investment (UN PRI). This set of six principles, developed by a network of international investors, reflect the view that the integration of environmental, social and corporate governance issues into investment management can have a positive impact on investment performance.

Voting behaviour

The Trustees' policy is to delegate the exercise of voting rights to their managers, but to review the voting behaviour of the managers annually to check that they are comfortable with the decisions taken by the managers and their approach generally. Having reviewed the information summarised in the stewardship reports which can be accessed from the website below, as well as specific details on votes carried out during the year, the Trustees are satisfied with the way in which the managers are exercising voting rights.

<https://www.lgim.com/uk/en/responsible-investing/investment-stewardship/>

ESG considerations

The Trustees consider investment risk to include ESG factors and climate change. These risks could negatively impact the Scheme's investments. The Trustees consider these risks by taking advice from their investment adviser. The Trustees do not currently have an active policy in place with regard to the extent to which ethical considerations are taken into account in the selection, retention and realisation of investments. These matters are, however, kept under review.

In setting and implementing the Scheme's investment strategy the trustees do not explicitly take into account the views of individual Scheme members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as "non-financial factors"). Scheme members are represented by member-nominated trustees.

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The Trustees are aware that Legal and General Assurance (Pensions Management) Limited and other pooled fund managers appointed by the Trustees recognise that, as long-term stewards, their responsibility is to generate returns for their clients in a sustainable manner that considers material risks and opportunities. They actively engage, where appropriate, both independently and collectively alongside other investors, with companies to influence their behaviour on ESG issues and policy. The investment managers provide a regular update to trustees on their activities and the changes that have been implemented as a result of work of their ESG team.

Statement of compliance with the Regulations

Over the course of the year ended 30 September 2024, the Trustees are pleased to report that they have, in their opinion, adhered to the policies set out in their SIP and have complied with the Regulations.

Signed on behalf of the Trustees:

D A Hutchinson

N J Penistan

Date: 10 February 2025