IMPLEMENTATION STATEMENT

NORTH EAST AUTISM SOCIETY

RETIREMENT SECURITY PLAN

The effective date of this Statement is 30 September 2020

1. INTRODUCTION

1.1 This Implementation Statement has been drawn up by the Trustees of the North East Autism Society Retirement Security Plan (the Plan). It has been prepared in accordance with applicable legislation, taking into account guidance from The Pensions Regulator and the written advice of an independent investment adviser.

1.2 The Implementation Statement meets the legislation set out in the Occupational Pension Plans (Investment) Regulations 2005 (S.I. 2005/3378) ("the Investment Regulations") and updated by The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 (S.I. 2019/982). The legislation details that it is a requirement for Trustees to prepare an Implementation Statement. For the Trustees of the Plan, this document serves that purpose and shall be referred to hereafter as "the Implementation Statement".

1.3 The Plan provides defined benefits, is closed to new members and has no active members accruing additional benefit. The Plan is exempt approved.

1.4 When the Plan still contained active members, a facility was provided for the active members to pay Additional Voluntary Contributions (AVCs) to enhance their benefits at retirement. AVC funds are invested separately from the main investments, in funds held with Aviva. The liability in respect of these AVC funds is equal to the value of the investments bought by the contributions. The Trustees' current intention is to retain the AVC funds with the current provider until all members with AVCs have retired. The AVC option was not taken up by many of the members and there are currently only 2 deferred members who hold AVC funds with Aviva.

The remainder of this document concerns only the non-AVC assets of the Plan.

1.5 The Implementation Statement:

1.5.1 Sets out how, and the extent to which, in the opinion of the Trustees, the stewardship policy (as described in Regulation 2(3)(c) of the Investment Regulations) in the Plan's Statement of Investment Principles ("SIP") has been followed during the year, and

1.5.2 include a description of the voting behaviour during the year by, and on behalf of, Trustees (including the most significant votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during that year.

1.6 The Implementation Statement should be read in conjunction with the SIP which was produced on 30 September 2020 in accordance with the Occupational Pension Plans (Investment) Regulations 2005 (S.I. 2005/3378) ("the Investment Regulations") and updated by The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 (S.I. 2019/982).

1.7 The Trustees confirm that the most recent SIP from 30 September 2020 was produced to detail:

1.7.1 The Trustees' policy on financially material considerations, including how those considerations are taken into account in the selection, retention and realisation of investments.

1.7.2 The extent (if at all) non-financial matters are taken into account in the selection, retention and realisation of investments.

1.7.3 The Trustees' stewardship activities (for example, how they exercise voting rights and what engagement activities they undertake).

1.8 Copies of the SIP have been given to the Employer and the Plan's Investment Adviser. Copies are available to members of the Plan on request and to the appointed Fiduciary Managers within the Plan. The Trustees will review the SIP at least triennially, or where the Trustees consider a review is required for other reasons, for example in the event of a significant change in the Plan's investment policy, the funding status of the Plan or the employer covenant.

The SIP was last reviewed on 30 September 2020. A copy of this current SIP can be viewed on the following link: https://www.ne-as.org.uk/statement-of-investment-principles

2. INVESTMENT OBJECTIVES AND ACTIVITY

2.1 The investment objectives set by the Trustees for the Plan are as follows:.

2.1.1 To adopt a strategy of limiting risk by broadly matching the Plan assets to the different obligations and liabilities within the Plan.

2.1.2 To consider the interests of the Employer in relation to the size and volatility of the Employer's contribution requirements

2.1.3 In agreement with the Employer to target the Plan to reach a funding level of 100% of assets to liabilities (on an ongoing basis) by December 2025.

2.1.4 To ensure that sufficient liquid assets are available to meet benefit payments as they fall due.

2.2 There have been no changes over the last 12 months to the overall investment strategy for the Plan. These are confirmed in the current SIP (see 1.8 above).

3. ESG, STEWARDSHIP AND CLIMATE CHANGE

3.1 The Plan'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.

3.2 The Trustees have delegated day-to-day investment decisions and investment management to Aberdeen Standard Capital, Rathbone Investment Management, Ruffer LLP and Legal And General Assurance (Pensions Management) Limited, collectively known as the "Fiduciary Managers".

3.3 As at 01 May 2019 the Plan was broadly invested in the following assets:

- Equities 52%
- Bonds 31%
- Fully insured annuities 4%
- Hedge funds 7%
- Cash and commodities 6%

4. VOTING AND ENGAGEMENT

4.1 The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) to the Fiduciary Managers who are required, where practical, to make considered use of voting in the interests of the Plan. The Trustees expect the Fiduciary Managers to update the Trustees via regular reports on corporate governance, and particularly on their voting and engagement records.

4.2 The Trustees believe that the Fiduciary Managers are best placed to engage with investee companies on their performance, strategy, capital structure, management of actual or potential conflicts of interest, risks, social and environmental impact and corporate governance.

4.3 There may be occasions in the future where the Trustees may deem it necessary to engage directly with companies on particular ESG-related issues. Should this ever occur, the Trustees will seek to undertake joint engagement activities with their Fiduciary Managers.

4.4 The Fiduciary Managers often invest in pooled funds. As the decision on the selection of a pooled fund is taken by the Fiduciary Manager, the Trustees have no influence on the selection of, or the decisions taken by, the underlying fund managers of the pooled funds.

4.5 The Trustees' policy acknowledges the importance of stewardship and includes a commitment from the Trustees to engage with the Fiduciary Managers on their processes for monitoring the Plan's investments for consideration of ESG factors, stewardship and climate change.

4.6 The Fiduciary Managers have each supplied the Trustees with details of their responsible investment policies. The appendix to this Implementation Statement provides further details on the consideration of ESG factors, stewardship and climate change approaches undertaken by Aberdeen Standard Capital, Rathbone Investment Management, Ruffer LLP and Legal And General Assurance (Pensions Management) Limited when investing the Plan's assets in line with the SIP.

4.7 The Trustees recognise there are limited opportunities within corporate bonds and Gilts for consideration of ESG factors, stewardship and climate change. However, the Trustees are aware of the engagement and voting activities from the Fiduciary Managers for the non-pooled holdings in equities and appreciate their track record in this area.

5. REVIEW OF THE IMPLEMENTATION STATEMENT

5.1 In drawing up the Implementation Statement, the Trustees have sought advice from the Plan's Investment Adviser, Womble Bond Dickinson Wealth Limited.

5.2 The Trustees are aware that this is the first year for revised requirements to follow a process with the SIP and Implementation Statement on ESG factors, stewardship and climate change. The guidance from The Pensions Regulator may change over time to reflect new methods of compliance and working required by the Trustees.

5.3 Industry practice is at a very early stage of development. In light of this, it may be expected that the content of this Implementation Statement will develop over time.

5.4 The Trustees will review the Implementation Statement at least triennially. However, where the Trustees consider a review is required for other reasons, for example in the event of a significant change in the Plan's investment policy, the funding status of the Plan or the employer covenant, a change in legislation of guidance, an additional review will be undertaken.



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Signed on behalf of the Trustees of the
North East Autism Society Retirement Security Plan

Date: 30 September 2020

APPENDICES

Approach to Responsible Investing Summaries from the Appointed Fiduciary Managers:

- **Aberdeen Standard Capital**
- **Rathbone Investment Management**
- **Ruffer LLP**
- **Legal And General Assurance (Pensions Management) Limited**

RATHBONE INVESTMENT MANAGEMENT

APPROACH TO RESPONSIBLE INVESTING

Rathbone Brothers Plc responsible investment policy

Rathbones
Look forward



Our purpose

Thinking, acting and investing responsibly

We see it as our responsibility to invest for everyone's tomorrow. That means doing the right thing for our clients and for others too. Keeping the future in mind when we make decisions today. Looking beyond the short term for the most sustainable outcome. This is how we build enduring value for our clients, make a wider contribution to society and create a lasting legacy. Thinking, acting and investing responsibly.

Introduction

We have been trusted for generations to manage and preserve our clients' wealth — for private clients, charities, trustees and professional partners. Our tradition of investing and acting responsibly has been with us from the beginning and continues to lead us forward. Our ambition is to be recognised as the UK's most responsible wealth manager. We know that investing for tomorrow and leading the way can take time, we have the discipline and resilience to see things through.

We are used to looking beyond the short term for the most sustainable outcome. *Thinking, acting and investing responsibly* — the purpose at the core of our culture and investment process — enables us to build enduring value for our clients, make a wider contribution to society and create a lasting legacy. As the world changes, we see it as our responsibility to understand each generation's changing priorities and investment preferences. Being responsible for today and tomorrow, we are open to the new yet always guided by the long view.

The Rathbone family have led the way in supporting progressive causes in the UK — from the abolition of slavery to workers' rights, universal suffrage and financial support for families. We recognised the importance of responsible investing years ahead of our peers, and through our specialist Greenbank investment team started offering ethical and sustainable portfolios in 1997. Having been one of the early private wealth managers to sign up to the Principles for Responsible Investment (PRI) in 2009, we were delighted to achieve a top A+ PRI rating for Strategy and Governance for the third year running in 2019. We've achieved a lot over the past years and look forward to doing more to embed principles of responsible investing into our investment processes.

Today we are committed to progressing our responsible investing agenda, ensuring that we adapt our approach to new information as increased disclosure on environmental, social and governance (ESG) factors becomes available, and commit to ongoing active engagement with the companies in which we invest. This policy defines our overarching approach to responsible investing within our investment framework. Its recommendations apply across all existing business segments and across all major asset classes.

Responsible investment, our definitions

Our responsible investment committee defines responsible investment as:

The purposeful integration of environmental, social and corporate governance (ESG) considerations into investment management processes and ownership practices in the belief that these factors can have an impact on financial performance.

The committee has adopted the following, non-exhaustive definitions of the underlying components of ESG[1]:

Environmental (E)
Issues relating to the quality and functioning of the natural environment

These include: biodiversity loss, greenhouse gas emissions, climate change, renewable energy, energy efficiency, air, water or resource depletion and pollution, waste management, ozone depletion, changes in land use, ocean acidification and changes to the nitrogen and phosphorus cycles.

Social (S)
Issues relating to the rights, well-being and interests of people and communities

These include: human rights, labour standards, child, slave and bonded labour, workplace health and safety, freedom of association and expression, human capital management and employee relations, diversity, relations with local communities, activities in conflict zones, health and access to medicine, consumer protection and controversial weapons.

Governance (G)
Issues relating to the governance of companies and other investment vehicles

For listed equities, these include: board structure, size, diversity, skills and independence, executive pay, shareholder rights, stakeholder interaction, disclosure of information, business ethics, bribery and corruption, internal controls and risk management, and, in general, issues dealing with the relationship between a company's management, its board, its shareholders and other stakeholders. This category may also include matters of business strategy, encompassing both the implications of business strategy for environmental and social issues and how the strategy is to be implemented.

For unlisted asset classes, governance issues also include matters of fund governance, such as the powers of advisory committees, valuation issues, fee structures, etc.

[1] UN PRI, https://www.unpri.org/download?ac=1453

Our commitment

The concept of responsible investment is fully aligned with our heritage, purpose and values. Our first formal commitment came in 2009 when we signed up to the UN-backed Principles for Responsible Investment (PRI)[2].

Our adoption of this policy marks a further step in our journey to align our business with the core principles of the PRI.

We believe that *thinking, acting and investing responsibly* will be beneficial for a number of reasons:

- Long-term stewards: we are obliged to identify long-term sustainable investments that take into account ESG factors, especially as non-financial factors may have consequences that only appear over the longer term.
- Clear evidence on materiality: evidence suggests that integrating ESG analysis into the investment process brings no penalty to returns and arguably enhances them. ESG integration is rapidly becoming embedded in 'mainstream' investment management as a means through which to identify both material risks and opportunities. Failure to do the same will leave us lagging our peers.
- Investor demand: there is a growing demand from society for companies to operate responsibly and this has followed through to the need to provide more responsible solutions for clients.
- Increasing regulation: UK and European regulators are noticeably tightening rules around the promotion of financial products claiming to apply ESG factors. Across the industry, advisory bodies and associations are formalising approaches to responsible investment. The EU Technical Expert Group on Sustainable Finance (TEG), the Financial Reporting Council (FRC), and the Investment Association are all working to provide concrete definitions of responsible investment.

[2] https://www.unpri.org/pri/what-are-the-principles-for-responsible-investment

Our core responsible investment principles

Materiality

We recognise that ESG risks can be material to the performance and valuation of investments

Many ESG factors are considered financially material, with both positive and negative implications for the performance of companies. Poor management of ESG-related risks can lead to divergences in the best interests of company management, shareholders and other stakeholders. This can lead to a material impact on the physical environment and communities. We will embed further the analysis and evaluation of ESG factors into our investment process.

Voting

We actively consider votes for client holdings

We strive to be good long-term stewards of the investments we make on behalf of our clients. Our major responsibility is to make full use of shareholder votes and ownership rights to influence companies to opt for long-term, more sustainable practices. We aim to ensure that company boards provide appropriate and independent oversight of management strategy and company activities. We will also encourage the identification and management of ESG risks to protect long-term asset values and encourage enhanced ESG disclosure. We source advice from an independent voting consultant and maintain a bespoke voting policy which builds on established best practice and is updated by our responsible investment committee. We will apply our resources to where it makes the most difference to the greatest number of clients and report annually on our voting activities within our voting report.

Engagement

We actively engage with companies on ESG issues, which is an important adjunct to voting activities

While we reserve the right to respond as appropriate, as determined by the circumstances, our general approach to engagement is outlined by the graphic below:



A summary of our active ownership principles can be found in our engagement policy.

Reporting

We will report annually on the progress of our responsible investment activities

Integrating ESG factors into our research, engagement and investment process is pointless if we are not transparent about our progress. It is vital that we produce annual reporting for our clients and other stakeholders, while also making a detailed submission to the annual PRI reporting cycle. We will evolve our reporting in this area in line with expected regulatory developments.

Please take a look at our latest PRI transparency report and stewardship report for more information.

Conflicts of interest

Conflicts may arise from Rathbone Brothers Plc's responsibilities as a listed company under the principles of the UK Corporate Governance Code and those of ESG disclosure and the best practice of peers. The direction of our voting and engagement activities may, on occasion, be inconsistent with our own internal ESG management arrangements. The internal management of ESG risks by Rathbone Brothers Plc is outside of the remit of this policy and the responsible investment committee. Where such conflicts arise, they will be dealt with in line with our conflicts of interest policy.

Approval and review

This policy was reviewed and approved by the investment executive commitee and group executive commitee in November 2019.

The policy will be reviewed and updated annually from first publication.

Find out more

Responsible capitalism report

Our stewardship policy

Our engagement policy

Our UN PRI transparency report

Important information

This document is published by Rathbone Investment Management and does not constitute a solicitation, nor a personal recommendation for the purchase or sale of any investment; investments or investment services referred to may not be suitable for all investors. No consideration has been given to the particular investment objectives, financial situations or particular needs of any recipient and you should take appropriate professional advice before acting. The price or value of investments, and the income derived from them, can go down as well as up and an investor may get back less than the amount invested. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Tax regimes, bases and reliefs may change in the future. Rathbone Investment Management will not, by virtue of distribution of this document, be responsible to any other person for providing the protections afforded to customers or for advising on any investment.

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We are covered by the Financial Services Compensation Scheme. The FSCS can pay compensation to investors if a bank is unable to meet its financial obligations.

For further information (including the amounts covered and the eligibility to claim) please refer to the FSCS website www.fscs.org.uk or call 020 7892 7300 or 0800 678 1100. Unless otherwise stated, the information in this document was valid as at 1 December 2019. Rathbone Brothers Plc is independently owned, is the sole shareholder in each of its subsidiary businesses and is listed on the London Stock Exchange.

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Head office: 8 Finsbury Circus, London EC2M 7AZ.

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Look forward

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RUFFER LLP

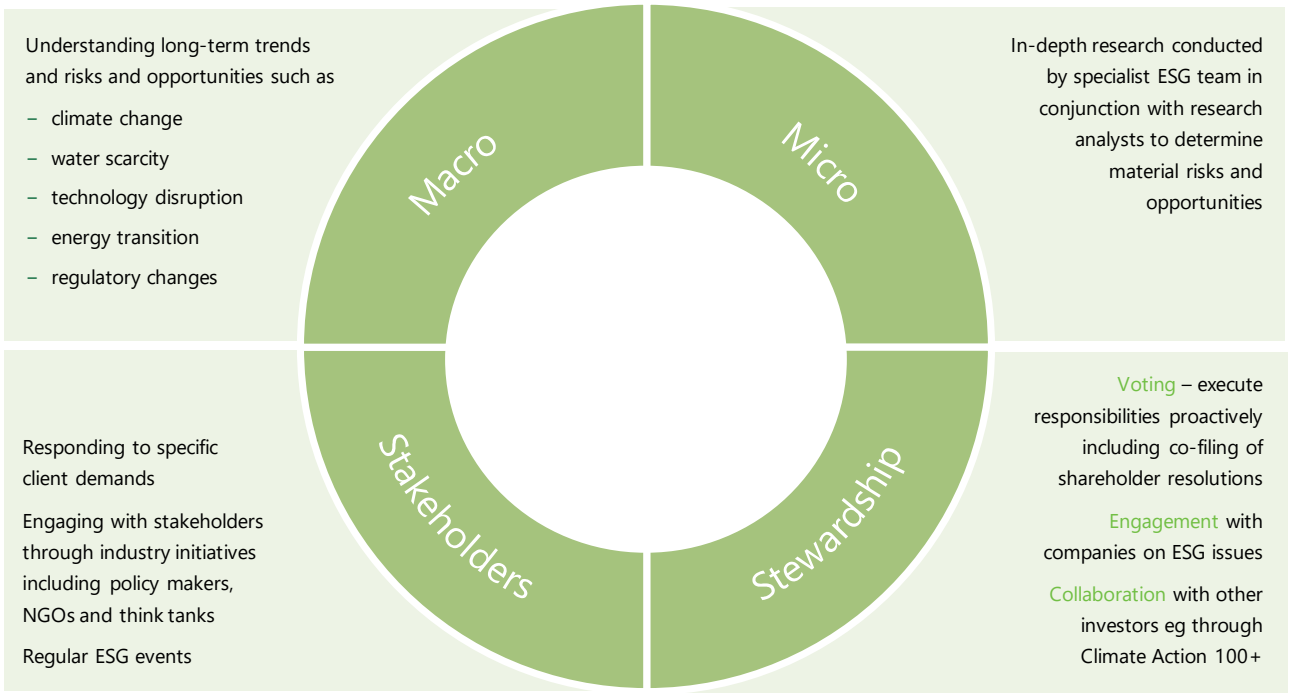
APPROACH TO RESPONSIBLE INVESTING

Ruffer considers the social, environmental, governance and ethical issues raised by its investments, since we believe that good practice in these areas is consistent with good corporate performance.

By virtue of having a single investment approach and conducting our own in-house research, we can systematically integrate ESG considerations across our whole research and investment process. We have a dedicated team who coordinate Ruffer's ESG framework, led by Franziska Jahn-Madell, Director for Responsible Investment. Franziska and her team sit across the research and fund management teams to ensure full cohesion and integration from investment idea to implementation within portfolios. Our decision to invest in companies is therefore based on both fundamental and ESG analysis.

ESG considerations are not solely part of our equity selection, but also inform our macroeconomic analysis, with issues including water scarcity, energy and climate change being discussed routinely. In addition to our specialist team, there are numerous champions of ESG from all departments across the firm in order to ensure that ESG considerations are integrated throughout the business.

Responsible investment framework



Engagement

We believe that engagement is an effective tool to achieve meaningful change and we are committed to engaging with companies in which our clients' assets are invested on a wide range of topics.

Direct communication with a company is a fundamental part of Ruffer's investment effort. We meet with executives and board directors; we communicate with the company's advisors; and we engage with other shareholders where appropriate. We regularly monitor and engage with companies on ESG issues including culture, board composition, succession planning, and remuneration, environmental and social responsibility that we perceive to affect their value. We generally support climate change related shareholder resolutions and have voted in matters concerning climate change, HFC emissions water scarcity and other environmental pollution.

In terms of collaborative engagement, we have joined the Transition Pathway Initiative and Climate Action 100+, which assess how companies are preparing for the transition to a low-carbon economy. Ruffer is also a signatory to the:

- CDP (formerly the Carbon Disclosure Project)
- Climate Change initiatives – IIGCC, TPI, Climate Action 100+ and a supporter of the 'Aiming for A' investor coalition
- UK Stewardship Code and Japan Stewardship Code

Voting

It is Ruffer's policy to vote on AGM or EGM resolutions and corporate actions where the holding is material to Ruffer or to the company we are investing in. The only exceptions would be when voting is not in clients' best interests or where, after due consideration, not casting a vote is deemed to be a better course of action. This policy applies across all the shares we hold, both in the UK and internationally.

Reporting

Ruffer has produced an annual ESG report since 2015 and a quarterly report since Q3 2020. We can also provide portfolio specific ESG reports on request.

Further resources

For greater detail on our commitment to responsible investing and our recent engagement, please visit https://www.ruffer.co.uk/About/Responsible-investing.

Responsible investment at Ruffer

At Ruffer, we are committed to being good stewards of our clients' assets.

To that end, environmental, social and governance (ESG) considerations are fully integrated into our investment process.

Whether it's climate change or indigenous rights, executive pay or workforce safety, we believe our considered approach helps us make better investment decisions.

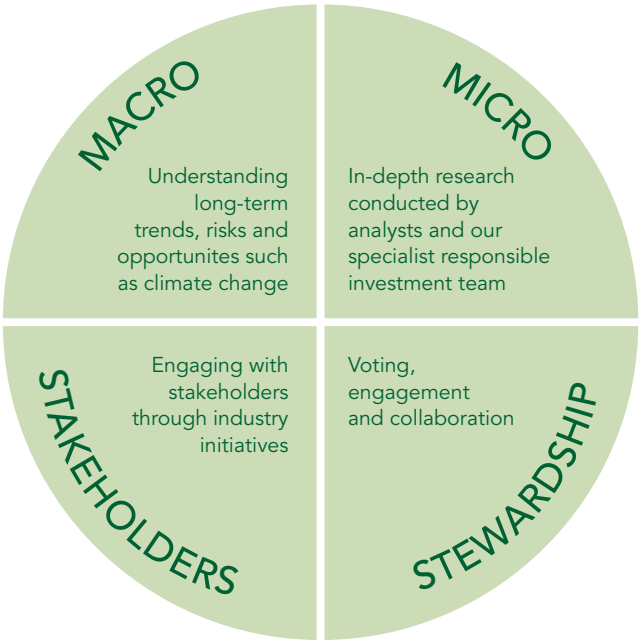
To the advantage of our clients' portfolios. For the benefit of the companies we invest in. And to the good of the environment and society.



Our approach

We have one investment approach and conduct our own research. This means we can systematically integrate ESG considerations across our whole research and investment process. We have a relatively concentrated portfolio of equity holdings, so we endeavour to fully understand a company's risks and opportunities, including any relevant ESG considerations. Our decision to invest in companies is therefore based on both fundamental and ESG analysis.

Our framework



How we do it

Integration

Our dedicated responsible investment team partners closely with the analysts in our research team to identify and evaluate the risks and impacts to the environment and society that could arise as a result of a company's operations. The risks associated with weak corporate governance practices are also considered. We use company information and other relevant sources such as MSCI ESG Research, SASB, Transition Pathway Initiative (TPI) and CDP to inform our analysis.

Engagement

We believe that engagement with companies we invest in is an effective tool to achieve meaningful change. Engagement gives us an opportunity to improve our understanding of investee companies, informing our investment decisions. This is likely to result in superior outcomes and returns for our clients.

Voting

We take the opportunity to vote seriously, as it enables us to encourage boards and management teams to consider and address areas that we are concerned about. We have co-filed resolutions where we felt this was the most appropriate course of action.

Restrictions

Ruffer offers clients the possibility of incorporating their values and beliefs into our investment approach. We have been managing portfolios with bespoke ethical investment policies since 2006. One advantage of a segregated portfolio is the transparency it provides, and this gives comfort to our clients that we are investing in line with their ethical investment restrictions. We use a third party ethical screening and research provider, who offers a wide range of exclusion criteria to ensure our clients' preferences are met.

135 portfolios with ethical restrictions

Largest mandate with bespoke restrictions over £100m

Rated A+ in strategy and governance in 2020 by the Principles for Responsible Investment

Voted at 282 company meetings in 2019, including 155 votes against company management

100+ clients exclude tobacco companies

40+ different ethical criteria

30+ bespoke policies

Ruffer actively supports and is a signatory to –

PRI Principles for Responsible Investment

IIGCC Institutional Investors Group on Climate Change

Climate Action 100+ Global Investors Driving Business Transition

Transition Pathway Initiative

Our team



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Voting policy

Framework

At Ruffer, we endorse the Financial Reporting Council's definition of stewardship in its revision of the Stewardship Code as '…the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.'[1]

We act as stewards of our clients' assets and so we use our judgement to determine when to engage and how to vote at shareholder meetings to best protect the interests of our clients while being cognisant of the impact on all stakeholders.

We take the opportunity to vote seriously, as it enables us to encourage boards and management teams to consider and address areas that we are concerned about. We review local best practices and corporate governance codes when voting clients' shares, and actively consider companies' explanations for not complying with best practice to ensure that we vote in the best interests of our clients.

Policy

It is Ruffer's policy to vote on Annual General Meeting (AGM) and Extraordinary General Meeting (EGM) resolutions, including shareholder resolutions, as well as corporate actions. We endeavour to vote on the vast majority of our holdings but we retain discretion to not vote when it is in our clients' best interests (for example in markets where share blocking applies). We vote on our total shareholding of the companies held within our flagship funds: LF Ruffer Absolute Return Fund (RARF), LF Ruffer Total Return Fund (RTRF), Ruffer Total Return International (RTRI), Ruffer Investment Company (RIC) and Charity Assets Trust (CAT). Voting on companies not held within these funds is subject to materiality considerations.[2] Ruffer applies this policy to both domestic and international shares, reflecting the global nature of our investment approach.

To apply this policy, we work with various industry standards, organisations and initiatives and actively participate in debates within the industry, promoting the principles of active ownership and responsible investment. For example, we are signatories to the Principles for Responsible Investment (PRI), participate in several working groups at the Investment Association and, through our commitment to Climate Action 100+, have co-filed resolutions where we felt this was the most appropriate course of action.

Process

Ruffer has internal voting guidelines as well as access to proxy voting research, currently from Institutional Shareholder Services (ISS), to assist in the assessment of resolutions and the identification of contentious issues. Although we are cognisant of proxy advisers' voting recommendations, in general, we do not delegate or outsource our stewardship activities when deciding how to vote on our clients' shares.

Research analysts are responsible, supported by our responsible investment team, for reviewing the relevant issues on a case-by-case basis and exercising their judgement, based on their in-depth knowledge of the company. If there are any controversial resolutions, a discussion is convened with senior investment staff and, if agreement cannot be reached, there is an option to escalate the decision to

1 The UK Stewardship Code 2020, p 4

2 Share blocking restricts investors that intend to vote at an AGM or EGM from selling their shares for a specified amount of time

the Head of Research or the Chief Investment Officer. We look to discuss with companies any relevant or material issue that could impact our investment. We will ask for additional information or an explanation, if necessary, to inform our voting discussions. If we decide to vote against the recommendations of management, we will endeavour to communicate this decision to the company before the vote along with our explanation for doing so.

Collaborative engagement can also provide a platform to engage on wider sector, regulatory and policy matters with investors and other stakeholders. Ruffer is open to working alongside other investors on both policy and company specific matters. The decision to collaborate on company specific matters will be judged on a case-by-case basis by the responsible investment team with input from research analysts and portfolio managers as well as the legal and compliance teams.

Ruffer engages regularly with the Investment Association and the Institutional Investor Group on Climate Change (IIGCC). Through our commitment to Climate Action 100+ we have collaborated extensively with other investors or asset owners engaging with a number of European and American companies, including making statements at AGMs and co-filing shareholder resolutions.

Conflict of interest

Ruffer is a partnership, and this structure aligns our interests with those of our clients. Our senior staff share in the long–term profitability of the firm, so they are interested in investment returns and client relationships that are sustainable. Where conflicts of interest on voting or engagement exist between Ruffer, and/or a particular client and our wider client base, it is Ruffer's policy to act in the best interests of all our clients. Ruffer has identified a potential conflict of interest when voting on in-house funds, such as the Ruffer Investment Company and Ruffer UCITS. Ruffer ensures that the managers of the relevant fund are excluded from the voting decision making process for the fund they manage (although they are allowed to explain the reasons why they think the vote should be supported). In order to further eliminate potential conflict of interests, the justifications and the decision making process on items are clearly documented.

Reporting

Since 2015 we have published an annual report, which presents our approach to responsible investment and stewardship activities in detail. The report includes aggregated quantitative and qualitative voting data, detailed case studies in relation to our engagement activities and an overview of the engagement themes that were prevalent throughout the year.

In line with the SRD II requirements, we disclose resolution level voting data on our website for all holdings in our flagship funds: LF Ruffer Absolute Return Fund (RARF), LF Ruffer Total Return Fund (RTRF), Ruffer Total Return International (RTRI), Ruffer Investment Company (RIC) and Charity Assets Trust (CAT). We review Ruffer's voting results on a quarterly basis. We currently regard these processes as sufficient but we review the necessity of an external audit on an annual basis.

Ruffer can also provide clients with specific information on stewardship activities. These reports can include a statistical summary of the number and types of resolutions we have opposed, a detailed report listing all the resolutions we voted on and a summary of our engagement highlights and key ESG issues. We also provide our PRI Assessment Report on request.

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ABERDEEN STANDARD CAPITAL

APPROACH TO RESPONSIBLE INVESTING

North East Autism Society Retirement Plan

This document sets out the actions undertaken by Aberdeen Standard Capital and its parent Aberdeen Standard Investments to implement the stewardship policy for the Trustees of the North East Autism Society Retirement Plan and includes voting and ESG engagement information that has been carried out.

The report covers direct links to the manager's web site depository for interrogating. Please note that the Investment Manager, Aberdeen Standard Capital (ASC) is a wholly owned subsidiary of Aberdeen Standard Investments (ASI) and all stewardship, voting and engagement is carried out at the parent level and covers the aggregated shareholdings across the wider group.

ESG Reporting
Scroll down on the following link to access the ESG Quarterly Reports for the appropriate period:
https://www.aberdeenstandard.com/en/responsible-investing

Voting
In addition, ASI house proxy voting records are also provided:
https://www.aberdeenstandard.com/en/responsible-investing/voting

Stewardship
ASI Stewardship policy:
https://vds.issgovernance.com/repo/2024/policies/Listed_Company_Stewardship_Guidelines.pdf

Aberdeen Standard Capital (As part of ASI) Stewardship Guidelines:

Our view

In our view, good governance and stewardship are vital to safeguard the way in which a company is managed and to ensure that it operates responsibly in relation to its customers, employees, shareholders, and the wider community. We also believe that markets and companies which adopt best practices in corporate governance and risk management – including the management of environmental and social risks – are more likely to deliver sustainable, long-term investment performance.

Our expectations

Our listed company stewardship guidelines provide a framework for investment analysis, engagement and proxy voting for companies worldwide. As global investors, we are particularly aware that the structures and frameworks for governance vary across regions. Furthermore, what we expect of the companies in which we invest varies between different stages of business development and the underlying history and nature of the company in question. We seek to understand each company's individual circumstances and so evaluate how it can best be governed and overseen. As such, we strive to apply the guidelines set out on these pages in response to the needs of that individual company at that particular time. Our heritage as a predominantly active fund manager helps drive this bespoke approach to understanding good governance and risk management. We have a clear perception of what constitutes best practice globally but we will reflect our close understanding of individual companies in our approach to applying these standards.

Our approach to stewardship

As defined in our Stewardship Principles we seek to integrate and appraise environmental, social and governance factors in our investment process. Our aim is to generate the best long-term outcomes for our clients and we will actively take steps as stewards and owners to protect and enhance the value of our clients' assets.

Stewardship is a reflection of this bespoke approach to good governance and risk management. We seek to understand each company's specific approach to governance, how value is created through business success and how investors' interests are protected through the management of risks that materially impact business success. This requires us to play our part in the governance process by being active stewards of companies,

dynamically involved in dialogue with management and non-executive directors, fully understanding the material risks and opportunities – including those relating to environmental and social factors and helping to shape the future success of the business.

We will:

• take into consideration, in our investment process, the policies and practices on environmental, social and governance matters of the companies in which we invest
• seek to enhance long-term shareholder value through constructive engagement with the companies in which we invest
• seek to exercise shareholder rights on behalf of our clients and engage with companies on their behalf in a manner consistent with their long-term best interests
• seek to influence the development of high standards of corporate governance and corporate responsibility in relation to environmental and social factors
• communicate our Listed Company Stewardship Principles to clients, companies and other interested parties
• be accountable to clients within the constraints of professional confidentiality and legislative and regulatory requirements
• be transparent in reporting our engagement and voting activities.



Aberdeen Standard Capital

Responsible investing

Beyond the financial return

Beyond the financial return

Every day, we face headlines highlighting the consequences of pollution, climate change, poor labour practices, corporate failures and more.

Many of us act on addressing these by donating to charities, volunteering, being energy efficient and recycling. But have you ever considered how your investments could help promote positive change in society?

Today, it is easier than ever to choose investments that can make a difference. This includes those with the potential to provide a financial return, while also offering a wider environmental or social benefit. Please note the value of investments can fall as well as rise and may be worth less than originally invested.

Here we clarify what this type of investing involves and highlight ways to access the benefits.

Julie-Ann Ashcroft
Head of Investments,
Aberdeen Standard Capital



'As investment managers, we are in a prime position to exert our influence to effect real positive change and help to create a more sustainable world.'

'We expect the companies in which we invest to be good corporate citizens and aim to positively influence their behaviour.'

Amanda Young
Head of Global ESG Investment Research,
Aberdeen Standard Investments



Do you know your ESG from your SRI?

It is easy to get confused by the terms used to discuss this type of investing – ESG, SRI, stewardship, ethical. Here we define some of the most common terminology.

ESG

ESG stands for environmental, social and governance (ESG). How a company manages these aspects of its business can be a really useful indication of its overall quality. Investment managers can use ESG criteria to identify potential risks and opportunities that could affect the performance of a company.

ESG factors can include how a company manages many aspects of its operations and culture. For example, we look at how a company:

Environmental (E)

- manages waste and pollution, including greenhouse gases
- contributes to or controls its impact on climate change
- manages natural resources including water.

Social (S)

- treats its employees and their working conditions
- values human rights and its stance on child labour and slavery
- considers impact on wider stakeholders and society, including local communities and animal welfare.

Governance (G)

- approaches diversity and how it structures its board and management
- rewards and pays executives, gender pay gap
- limits its exposure to corrupt practices and deals with bribery
- makes, declares or avoids political donations.

SRI

SRI stands for socially responsible investing. Investors should not confuse the assessment of ESG-related risk with responsible investing or SRI.

SRI and ESG integration seek to address a variety of concerns, such as human rights, climate change and business ethics. However, they differ in the way asset managers apply them to investment portfolios.

With SRI, managers aim to avoid 'bad' companies to create morally 'good' portfolios. By comparison, an integrated ESG approach involves an in-depth look into the inherent environmental, social and governance risks and opportunities that may impact a company.

Stewardship

Investment managers can try to influence change by meeting the companies in which it invests – this is active stewardship. At these meetings, they can help encourage company management towards better policies or conduct on ESG issues. They can also directly question firms on any less-than-exemplary practices. This activity is called 'engagement'.

A second element of active stewardship involves voting. An investment manager can cast votes on behalf of investors on various matters relating to the companies in which they are invested. This might include good governance, tax practices, diversity, labour standards, climate change, bribery and corruption.

Ethical investing

To avoid investing in certain controversial companies or industries, some investors request negative screening in their portfolios. For example, they might wish to exclude tobacco, alcohol, pornography or weapons manufacturers. Or they may wish to focus on broad investment themes, such as cleaner energy or sustainable transport.

Impact investing

With impact investing, holdings are selected for their potential to provide both a positive investment return and a measurable environmental or social impact. Investing this way can direct money and resources towards companies actively seeking solutions to the world's environmental and social issues. Renewable energy and social housing would be included in this type of investing. Impact investing should not be confused with philanthropy – it must earn a good return as well.

Our approach in action

At Aberdeen Standard Capital, everything we do is focused on generating the best long-term investment outcomes for clients.

That includes offering access to the potential rewards generated by those investments helping to create a better, more sustainable world.

To do this, we seek to understand the 'big picture' of all our investments – before, during and after we invest. There are a number of ways in which we reflect our commitment to responsible investing.



ESG integration

Consideration of ESG factors is embedded into our decision-making process for all portfolios. This helps us assess the risks and the quality of holdings more effectively. Every one of our clients benefits from this approach.

ESG analysis is integral to our investment process. We corroborate information on an investment by engaging with its competitors, supply-chain firms and customers. We then combine this data with market-leading independent analysis to form a complete picture.

If we understand how a company manages ESG factors, we can better value what we are investing in. In turn, this can help us achieve better risk-adjusted returns for investors.



Company engagement and active stewardship

We take stewardship seriously. We are active on a global basis in both engaging with companies to advocate for positive change and voting on behalf of our clients. As such, our clients are active champions of change too.



Bespoke ethical policies

Some clients want to reflect specific ethical, socially responsible, impact or thematic (e.g. climate based) considerations in their portfolios.

We can offer them a fully bespoke service, using an independent ethical screening provider.



Global Impact Strategy

For clients wishing to invest for positive impact, we offer a Global Impact Strategy. This supports the aims of the United Nations' 17 Sustainable Development Goals (SDGs) that form the UN's 2030 agenda.

We can offer this through either a pooled fund or a segregated approach. We believe that positive investment outcomes are consistent with positive outcomes for society and the environment.

Supported by a global asset manager

We are the discretionary investment arm of Aberdeen Standard Investments (ASI).

ASI has been embedding ESG in its investment process for over 25 years and through its many initiatives is aspiring to be a leader in this field. We are able to leverage the world-class capabilities of its central ESG Investment team and analysts – sharing and collaborating to ensure our ESG approach is completely integrated.

Through ASI, we have access to company management on a global basis, providing us with unrivalled insight. Not all discretionary investment managers can offer private and charity clients this institutional-level of ESG expertise.

ESG at the heart of our process

By considering ESG factors for all our investments and engaging with the companies in which we invest, we believe we can improve our clients' long-term investment returns. ESG scoring is one of several financial metrics we look at for every investment. A low or high ESG score does not necessarily dictate whether to buy or sell a holding. However, experience has taught us that responsible companies make better long-term investments.



Clear ESG strategy

- Aiming to be an industry leader in ESG.
- Stewardship and ESG are fundamental to our investment process.
- Aim to enhance the value of the portfolios we manage.



ESG investment resource

- Large team of 20+ ESG professionals.
- Centralised team and on-desk analysts across asset classes.
- Expertise in each of the functions of environmental, social, governance.



Integrated, in-depth research

- Thought leadership in major ESG issues.
- Company-specific assessment of the management of ESG issues and risks.
- Insight informs our decisions.

'By making ESG central to our investment capabilities, we look to deliver robust financial outcomes for our clients – as well as actively contributing to a fairer, more sustainable world.'

Euan Stirling
Global Head of Stewardship and ESG Investment, Aberdeen Standard Investments



How to access these opportunities

Our clients have a number of options to tailor their investments to their own requirements and reflect their values.

Access points

ESG as standard

We consider ESG factors as part of our investment process, for all clients and all portfolios. For full discretionary service clients invested in our Conventional and Enhanced Diversification Range portfolios, we can provide further bespoke enhancements.

Exclusion – negative screening

We can tailor strategies to clients' needs according to their values or beliefs. We can take a traditional 'sin bin' approach by excluding investments in industries deemed unethical. This might include those involved in tobacco, gambling or animal testing.

Sustainable & responsible investing (SRI)

Companies are screened for their management of sustainability matters and we can exclude the worst performing companies. This approach requires strong active stewardship and engagement.

Climate change strategies

This approach captures climate concerns through a range of activities including engagement, exclusions, carbon-tilted portfolios and carbon foot printing.

Fossil Fuel Free Strategy

This strategy will appeal to clients concerned with climate change. It screens out investments in companies linked to the ownership, extraction and production of fossil fuels. To complement this screening, we use carbon footprint data as part of the investment process.

Impact investing

This type of strategy favours investments in companies that are delivering products and solutions that address social and environmental challenges. This might include social housing or cleaner energy. As well as providing a financial return, an investment must make a meaningful and measurable impact on society and/or the environment too.

Global Impact Strategy

We offer a global impact strategy that supports the aims of the United Nations' 17 Sustainable Development Goals (SDGs) that forms its 2030 agenda. Clients can access this opportunity through either a pooled or segregated approach.

Increasing impact

Award-winning credentials

In 2019, we won both the PAM Sustainable Investment Solution category and the Best ESG Wealth Manager/DFM Group at the Investment Week Sustainable & ESG Investment Awards. These accolades acknowledge the depth of our capabilities, our rigorous approach to investing responsibly, and our commitment to our clients, who are increasingly looking for investment solutions that can make both a positive impact and a financial return.

PAM Private Asset Managers AWARDS

PAM Awards 2019 Winner

Sustainable Investment Solution

The PAM Awards are the most sought after awards in the UK wealth management sector, covering the consistency of both investment performance and client service levels.

INVESTMENT WEEK SUSTAINABLE & ESG INVESTMENT AWARDS 2019 WINNER Best ESG Wealth Manager/DFM Group

Investment Week 2019 Winner

Best ESG Wealth Manager/DFM Group

This award recognises our deeply-held belief that investing responsibly can provide the best long-term financial outcomes for our clients.

Past performance is not a guide to future results.

Visit us online
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2021 Defaqto 5 Star Rating for Aberdeen Standard Capital's Bespoke Portfolio Management- www.defaqto.com



2021 Defaqto 5 Star Rating for Aberdeen Standard Capital's Managed Portfolio Service - www.defaqto.com

Investment involves risk. The value of investments, and the income from them, can go down as well as up and an investor may get back less than the amount invested. Past performance is not a guide to future results.

The details contained here are for information purposes only and should not be considered as an offer, investment recommendation, or solicitation to deal in any investments or funds and does not constitute investment research, investment recommendation or investment advice in any jurisdiction.

Aberdeen Standard Capital is the discretionary investment management arm of Aberdeen Standard Investments.

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LEGAL AND GENERAL ASSURANCE (PENSIONS MANAGEMENT) LIMITED

APPROACH TO RESPONSIBLE INVESTING

Legal & General
INVESTMENT MANAGEMENT

Active ownership

Global engagement to deliver positive change

Active ownership means working to create sustainable value for our clients. Our annual report details how we achieved this in 2019.

"From climate change to executive pay, we continue to take decisive action with companies and regulators on the issues that matter to our clients and society at large"

Sacha Sadan
Director of Investment Stewardship



In 2019, LGIM:

Engaged with **493** companies

Voted on **50,900** resolutions*

Opposed the election of more than **4,000** company directors globally in 2019*

Participated in about **30** engagements with regulators and policy-makers, to **improve market standards around the world**

Took sanctions **against** **11** companies named as laggards under our Climate Impact Pledge

Voted **against** management at **71%** of companies, primarily due to concerns around the suitability of directors or auditors, pay or other elements of company strategy

* These votes represent instructions for our main FTSE pooled index funds

Our objective is...

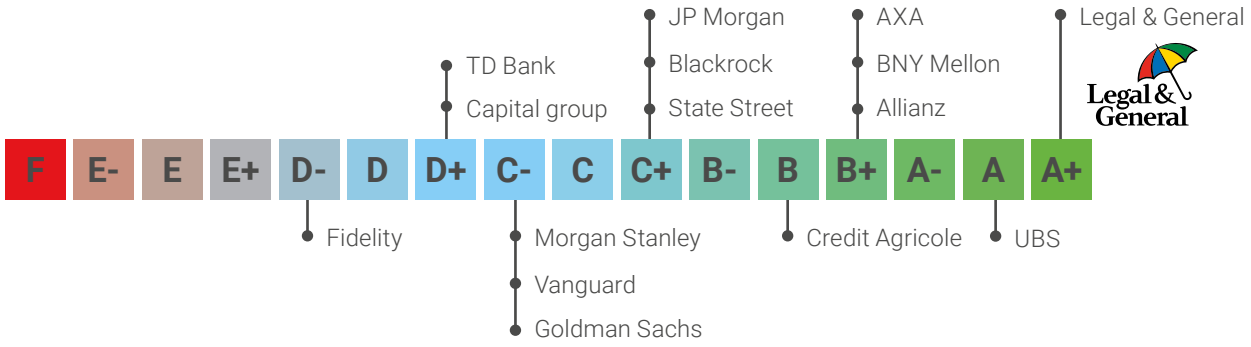
... to effect positive change in the companies and assets in which we invest, and for society as a whole. Last year, we focused on:

Climate change

- LGIM supported more shareholder resolutions on climate change than any of the world's 20 largest asset managers[1]
- We published our second annual ranking of climate leaders and laggards, naming 11 companies that have failed to demonstrate sufficient action, including ExxonMobil
- Contributed to successful legal efforts to suspend the construction of a risky, polluting coal plant in Poland

Scoring of investor-company engagement and resolutions on climate

Overall climate engagement score for the 15 largest asset manager groups by independent NGO InfluenceMap, which scores companies on climate policy



Source: InfluenceMap



Case study: BP

We filed our first shareholder resolution in 2019, in coordination with other major shareholders, calling on energy giant BP to explain how its strategy is consistent with the Paris Agreement on climate change.

The proposal was passed with overwhelming approval from shareholders. BP has subsequently announced industry-leading carbon targets.

1. Source: ShareAction – Voting Matters (2019).

For illustrative purposes only. Reference to a particular security is on a historic basis and does not mean that the security is currently held or will be held within an LGIM portfolio. The above information does not constitute a recommendation to buy or sell any security

Income inequality

- We **opposed 35% of pay** packages globally:
- We have pushed investee companies to adopt a Living Wage for their staff
- In the US, we **opposed 352** "say on pay" votes and supported a further 32 shareholder proposals to encourage stronger compensation practices

Diversity

- In 2019 we worked to **improve gender diversity** at 19 Japanese companies
- 51 of the 72 US companies we targeted for engagement over the past three years have now **appointed at least one woman** to their board
- We did **not support the election** of over 190 directors at companies globally due to concerns over board diversity

Our top five engagement topics with companies:

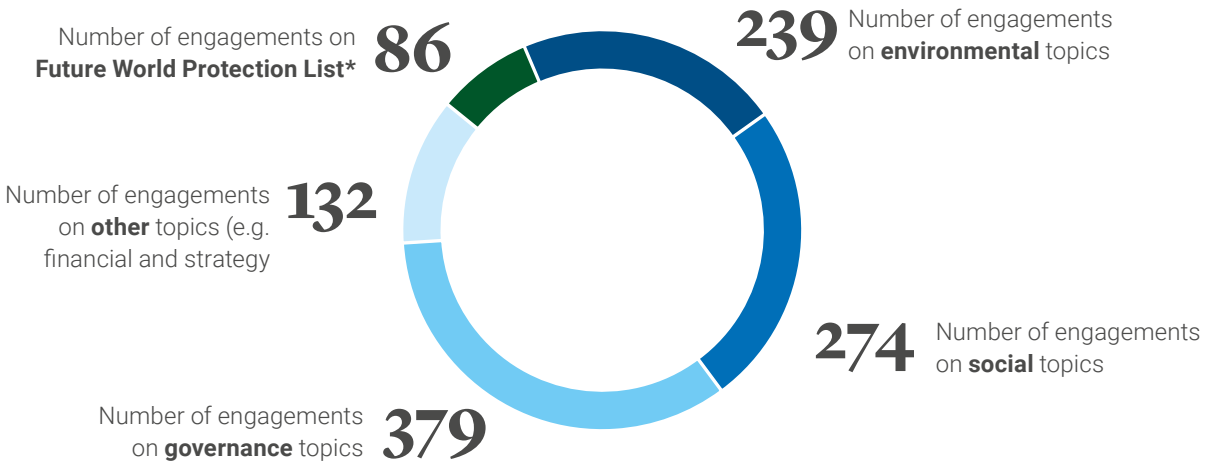
Climate change | Remuneration | Diversity | Board composition | Strategy



ESG integration

- LGIM established a global research and engagement platform, bringing together the best sector expertise across its investment management business
- We extended our industry-leading Future World range in 2019, as well as launching other funds that explicitly integrate environmental, social and governance (ESG) objectives
- We continued to develop our proprietary ESG scoring, taking action on poor-scoring companies
- All LGIM Real Asset funds assessed under the Global Real Estate Sustainability Benchmarking initiative received star ratings

ESG engagements breakdown 2019



*Future World Protection List refers to minimum globally accepted standards on sustainability and human rights



We also devoted time and resource on the following areas:

- **Lobbying** – encouraging transparency on efforts to sway policy
- **Governance** – supporting companies for long-term success
- **Mergers and acquisitions** – protecting investors' interests amid deal-making
- **Activism** – seeking progress through engagement with all parties
- **Culture** – intervening when our standards are not met
- **Investor rights** – fighting for 'one share, one vote'
- **Education for trustees** – helping clients take informed decisions
- **Education for non-executive directors** – hosting events and publishing 9 guides on best practices for companies

The full report

To read more about LGIM's active ownership in 2019, including many more examples of where we have helped to deliver positive change, please see the full version of this report by visiting our website: www.lgim.com/activeowner

You can also read regular updates from the Investment Stewardship team on the LGIM blog and hear interviews with them on LGIM Talks, our podcast channel.



Contact us

For further information about LGIM, please visit lgim.com or contact your usual LGIM representative

@lgim | Podcast LGIM Talks | The LGIM blog

Important information

The value of an investment and any income taken from it is not guaranteed and can go down as well as up, you may not get back the amount you originally invested.

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INVESTMENT MANAGEMENT