

# Engagement Policy Implementation Statement



## Ongoing Monitoring

investments on a quarterly basis and received updates on important issues from

for the funds the Section is invested in where available. The ESG rating system investment strategies and is designed to assess whether investment managers integrate responsible investment and more specifically ESG considerations into their investment decision making process. The ESG ratings are based on a variety of qualitative factors, starting with a proprietary due diligence questionnaire, which is completed by the fund manager.

investment related policies and procedures, including a review of their responsible investment policy (if they have one), active ownership, proxy voting and/or stewardship policies. After a thorough review of the available materials, data and policies, as well as conversation with the fund manager, the lead researcher will award an ESG rating, which is subject to peer review using an agreed reference framework. Ratings will be updated to reflect any changes in a fund's level of ESG integration or broader responsible investment developments.

Aon's manager research team regularly engage with the Scheme's investment managers on behalf of the Trustee on a variety of ESG issues. Aon will report back to us any areas of concern on which then

## Our manager engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e. is not necessarily specific to the funds invested in by the Sections.

Funds	Number of engagements		Themes engaged on at a fund-level
	Fund specific	Firm level	





Sponsors/Borrowers business plan for addressing them until the investment team is comfortable all risks are mitigated

