



**The Donne Mileham & Haddock Pension and Death Benefit Plan – ESG Policy**

*Introduction*

We, the trustees of the The Donne Mileham & Haddock Pension and Death Benefit Plan, the Plan, have considered our approach to Environmental, Social and Governance (ESG) policy and how we believe it should be factored into the processes. Our approach will be developed further as ESG policy in the fund management industry develops over the coming years.

The UK Government has been one of the foremost in creating a code of good conduct for companies. There have been many policies instigated over the years, and the ESG policy is the latest manifestation, which is looking to build on previous initiatives.

The ESG policy is not to be confused with ethical or environmental policies, although these are also likely to be referenced when assessing a company’s overall ESG policy. The ESG policy is looking to encourage good practice in relation to every aspect of a business. There are many aspects involved in the assessing a company’s ESG rating, from remuneration policy to the impact of the business on the environment. Theoretically a tobacco or an arms company could score highly yet a wind power generator could have a poor score.

*Environmental, Social and Governance Issues*

The Trustees’ objective is to ensure that investment managers have the financial interests of the Plan, and the members, as their first priority when reviewing investments.

The Trustees may take ESG considerations into account only when these factors do not contradict the primary objective or where these considerations are specified within the mandate of the funds used. In the case of passive funds, there is an expectation that all fund managers will be active as investors, and will apply their own ESG policies.

In the case of active funds, each fund manager will have an ESG policy, which should be integrated into the overall investment management process. The Trustees will review the ESG policy and highlight any issues with the fund manager. The approach is one of positive engagement.

*Voting Rights attaching to Investments*

The Trustees delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage the managers to exercise those rights.

The investment managers are expected to provide regular reports for the Trustees, detailing their voting activity.

**Signed on behalf of the Trustees of the Donne Mileham & Haddock Pension and Death Benefit Plan**

Trustee Signature *Denzil Jones*

Date *25 September 2019*

Name *DENZIL JONES*