

# ***Implementation Statement for the year ended 30 June 2025 for the W.A. Fairhurst & Partners Staff Pension Fund***

## **Purpose**

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This Implementation Statement provides information on how, and the extent to which, the Trustee has followed the responsible investment policies documented in the W.A. Fairhurst & Partners Staff Pension Fund's (the "Fund") Statement of Investment Principles ("SIP") during the year ended 30 June 2025 ("the reporting year"). This includes the exercising of rights attached to the Fund's investments, and engagement activities.

## **Background**

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The Trustee's policies in relation to the responsible investment of the Fund's assets are documented in their SIP. The latest version of this document is dated March 2024. The Trustee's responsible investment policies cover two broad areas:

1. The consideration of environmental, social and governance ('ESG') considerations into investment decision making
2. The effective and appropriate stewardship of the Fund's assets including voting rights (where applicable) and engagement activities

The Trustee's SIP is reviewed at least every 3 years, or sooner if there are any material changes to any of the Trustee's policies or changes to the Fund's strategic investment allocation. The SIP is published on a publicly available website so members of the Fund and other stakeholders can view the Trustee's investment policies.

## **The Trustee's policies in relation to ESG and stewardship of assets**

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The Trustee believes that there can be financially material risks relating to environmental, social and governance ('ESG') issues. The Trustee's policies in relation to ESG and stewardship of assets are documented in their SIP.

The Trustee has delegated the ongoing monitoring and management of ESG risks and those related to climate change to the Fund's investment manager (Legal and General). The Trustee requires the Fund's investment manager to take ESG and climate change risks into consideration within their decision-making, recognising that how they do this will be dependent on factors including the characteristics of the asset classes in which they invest, and the investment management approach (i.e. active v index-tracking management).

As the Trustee has adopted a liability risk matching investment strategy for the Fund which invests in corporate bonds using an index-tracking approach and UK government bonds using a buy and hold approach, the Trustee recognises that the scope to embed ESG and climate risk considerations into the Fund's investments is relatively limited.

While the investments held by the Fund do not include voting rights, the Trustee still expects the investment manager to use their collective size and influence to engage with investee companies on financially material matters including those deemed to include a material ESG and/or climate change risk in relation to those investments.

The Trustee, with the assistance of its investment adviser, monitors the processes and operational behaviour of the investment manager from time to time, to ensure they remain appropriate and in line with the Trustee's requirements as set out in the SIP. The Trustee may also periodically meet with the Investment Manager to discuss a range of investment issues including the alignment of the Investment Manager's activities with the Trustee's policies on ESG and stewardship of assets.

The Trustee believes that its approach to, and policy on, ESG matters will evolve over time based on factors including developments within the industry. The Trustee has not, to date, introduced specific stewardship priorities, however this is an area that it will discuss from time to time with the Fund's investment advisor and the Trustee's policies may evolve accordingly.

### **Manager selection exercises**

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One of the main ways in which the Trustee applies its policies on ESG and stewardship of assets is via investment manager selection exercises. When considering the appointment of a new investment manager the Trustee will seek advice from its investment advisor on the extent to which the Trustee's views on ESG and climate change risks are being taken into account by the investment manager.

In year to 30 June 2025 the Trustee appointed no new investment mandates.

### **Adherence to the Statement of Investment Principles**

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During the reporting year the Trustee is satisfied that it followed its policies on ESG and stewardship of assets to an acceptable degree.

### **Voting activity**

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The main asset class where the Fund's investment manager will have voting rights is equities. As at 30 June 2025, the Fund had no exposure to equity assets through the pooled funds it invests in.