

BRITISH DRILLING & FREEZING STAFF PENSION SCHEME

ENVIRONMENTAL, SOCIAL AND GOVERNANCE IMPLEMENTATION STATEMENT

The scheme is a defined benefit scheme and does not have a Statement of Investment Principles due to its size. The Trustees have considered and taken cognisance of the investment managers Brewin Dolphins Environmental, Social and Governance Guide (2019) and Stewardship Policy. The Trustees have in doing so placed reliance on such to comply with their responsibilities under the Occupational Pension Schemes (investment) Regulations 2005 Regulation 2 and 4 with regard to choosing investments and ongoing monitoring. The choice of investments and any voting rights in this regard has been delegated to the Fund Manager Brewin Dolphin.

The Trustees have considered long-term financial risks to the Scheme and believe that social and governance (ESG) factors are potentially financially material and therefore consider these, alongside other factors, when reviewing the Scheme's investments.

Given the maturity profile of the Scheme and the objective to fund future member benefits from Scheme's assets as they fall due, the Trustees have a long-term horizon over which it takes into account the financial materiality of ESG factors (including, but not limited to, climate change).

From time to time, the Trustees will ask the Scheme's investment managers to attend meetings to provide updates on the funds, where the Trustees may request an update on ESG considerations.

When selecting new investments, the investment manager's expertise in relation to ESG consideration will not take precedence over other factors including (but not limited to) historical performance and cost.

01/10/2020