

## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement

#### Background

The Department for Work and Pensions ('DWP') is increasing regulation to improve disclosure of financially material risks. This regulatory change recognises Environmental, Social and Governance ('ESG5') factors as financially material and schemes need to consider how these factors are managed as part of their fiduciary duty. The regulatory changes require that schemes detail their policies in their statement of investment principles ('SIP') and demonstrate adherence to these policies in an implementation report.

#### Statement of Investment Principles (SIP)

The Scheme updated its SIP in response to the DWP regulation to cover :

- policies for managing financially material considerations including ESG factors and climate change
- policies on the stewardship of the investments The SIP can be found online at the web address

<https://www.arrivapensions.com/~media/Files/A/Arriva-Pensions/documents/arriva-passenger-services-national-pension-scheme-statement-of-investment-principles.pdf> changes to the SIP are detailed on the following page.

#### Implementation Report

This implementation report is to provide evidence that the Scheme continues to follow and act on the principles outlined in the SIP. This report details:

- actions the Scheme has taken to manage financially material risks and implement the key policies in its SIP
- the current policy and approach with regards to ESG and the actions taken with managers on managing ESG risks
- the extent to which the Scheme has followed policies on engagement covering engagement actions with its fund managers and in turn the engagement activity of the fund managers with the companies in the investment mandate
- voting behaviour covering the reporting year up to 05 April 2022 for and on behalf of the Scheme including the most significant votes cast by the Scheme or on its behalf

#### Summary of key actions undertaken over the Scheme reporting year

- The Scheme reduced its allocation to equities in Q2 2021 and initially invested this in a cash fund (the LGIM Sterling Liquidity Fund); this cash was then used to top up the Scheme's LDI mandate during Q3 2021 to increase the Scheme's liability hedge levels
- The Scheme invested in the Ares Secured Income Fund in October 2021. ESG factors were considered when implementing a new mandate with Ares, including reviewing Ares' ESG policy as part of the manager selection and documentation review process.

## ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

### TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

#### Implementation statement (continued)

This report sets out how the Arriva Passenger Services National Pension Scheme has taken account of its investment principles and policies for managing financially material consideration including ESG factors and climate change.

#### Managing risks and policy actions DB

Risk / Policy	Policy
<b>Liquidity Objective</b>	To acquire and maintain suitable assets of appropriate liquidity which will generate income and capital growth.
<b>Funding Objective</b>	To limit the risk of the Scheme's assets failing to meet the liabilities over the long term, and to ensure that the Scheme has sufficient assets available to pay members' benefits as and when they arise using assumptions underlying the calculation of the Scheme's technical provisions.
<b>Diversification Objective</b>	To ensure that the Scheme's portfolio of assets is appropriately diversified, achieved via selecting investments spread across a range of asset classes and markets, so as to mitigate concentration risk, geopolitical risk, and currency risk to an appropriate extent.
<b>Cost Objective</b>	To minimise the long-term costs of the Scheme by maximising the return on assets whilst having regard to the Scheme's "funding objective".
<b>Stability Objective</b>	To have due regard to the employer's ability in meeting its contribution payments given their size and incidence, and to have due regard to the volatility of measures of funding and security.
<b>Responsible Investment</b>	In setting the Scheme's investment strategy, the Trustee's primary concern is to act in the best financial interests of the Scheme and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk. These include: The risk that environmental, social and governance factors including climate change negatively impact the value of investments held if not understood and evaluated properly. The Trustee considers this risk by taking advice from their investment adviser when setting the Scheme's asset allocation, when selecting managers and when monitoring their performance.

## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement (continued)

#### Changes to the SIP

There were no changes to the SIP in the 12 months to 05 April 2022.

#### Current ESG policy and approach

##### ESG as a financially material risk

This page details the Scheme's ESG policy. The next page details The Trustee's view of the managers, actions for engagement and an evaluation of the engagement activity.

#### Stewardship – Voting and Engagement

The Trustee recognises the importance of their role as a steward of capital and the need to ensure the highest standards of governance and promotion of corporate responsibility in the underlying companies and assets in which the Scheme invests, as this ultimately creates long-term financial value for the scheme and its beneficiaries.

As part of their delegated responsibilities, the Trustee expects the Scheme's investment managers to:

- where appropriate, engage with investee companies with the aim to enhance the long-term value of assets; and
- exercise the Trustee's voting rights in relation to the Scheme's assets.

The Trustee regularly reviews the continuing suitability of the appointed managers and takes advice from the investment adviser with regard to any changes. This advice includes consideration of broader stewardship matters and the exercise of voting rights by the appointed managers. The Trustee reviews the stewardship activities of their asset managers on an annual basis, covering both engagement and voting actions. Where the Trustee identifies significant concerns relating to performance, strategy, risks, social and environmental impact, corporate governance, the capital structure or management of conflicts of interest, of an investment manager or other stakeholder; they will consider the methods by which they would monitor and engage with such an investment manager or other stakeholders.

#### Members' Views and Non-Financial Factors

In setting and implementing the Scheme's investment strategy the Trustee does not explicitly take into account the views of Scheme members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as 'non-financial factors')

## ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

### TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

#### Implementation statement (continued)

#### Engagement

As the Scheme invests via fund managers the managers provided details on their engagement actions including a summary of the engagements by category for the 12-month period to the end of 05 April 2022.

Fund name	Engagement summary	Commentary
Ares – Secured Income Fund	This data was requested from the manager, however, the manager is currently unable to produce this level of reporting. We will work with the manager to try ensure that this data is available in the future.	<p>The Fund's ESG related engagement is primarily led by the individual investment teams, who monitor ESG credentials over time and lead on engagements given they have the most issuer level knowledge where engagement is deemed necessary.</p> <p>The Fund is working to establish ESG Key Performance Indicator's to measure engagement effectiveness.</p>
Legal & General Investment Management ('LGIM') – LDI	<p>This data was requested from the manager; however, the manager is currently unable to produce this level of reporting. We will work with the manager to try ensure that this data is available in the future.</p> <p>Note: The Scheme invested in the LDI funds on 25 March 2021.</p>	<p>LGIM have evidenced their ability to integrate ESG factors in their LDI fund range through counterparty review and engagement.</p> <p>LGIM integrates ESG factors in their processes by using proprietary tools to quantify and monitor ESG risk.</p> <p>LGIM have shown that they are improving their reporting processes, with ESG LDI and Derivatives reports available on an ad hoc basis which include engagement summaries.</p>

## ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

### TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

#### Implementation statement (continued)

<p>LGIM – Equity (Hedged and Unhedged)</p>	<p>This data was requested from the manager, however, the manager is currently unable to produce this level of reporting. We will work with the manager to try ensure that this data is available in the future.</p>	<p>LGIM has firm wide stewardship priorities with a current priority focus on inequality, ethnic diversity and tax transparency.</p> <p>The manager takes a holistic approach to voting and engagement across all its portfolio companies, within which LGIM's Investment Stewardship team and all investment teams collaborate to ensure they are using a common framework. This strengthens and streamlines engagement and voting activities, allowing the manager to maximise effectiveness by leveraging its position as a large, influential investor.</p> <p>LGIM produces an annual Active Ownership report which summarises the decisive actions taken on behalf of clients across a range of ESG issues.</p>
<p>Schroders – Diversified Growth Fund</p>	<p>Total engagements: 1,118 Environmental: 101 Social: 134 Governance: 883</p> <p>Please note, Schroders are only able to disclose their reporting data as at month end. Therefore, the data provided is to 31 March 2022</p>	<p>Schroders provided a detailed list of engagements it was involved with over the period.</p> <p>Schroders' engagement activities are managed centrally by the Sustainable Investment Team. Engagement methods include one-to-one meetings with company representatives, written and phone correspondence, and discussions with various company advisers and stakeholders.</p> <p>An example of a significant engagement: Ubisoft Entertainment – Schroders engaged with Ubisoft with the expectation to see an improving trend in the percentage of women in the workforce, management and board in line with the company's targets. Schroders have seen an improvement across workforce, management, and the board, although Schroders are still expecting to see sustained improvement and are continuing to monitor the issue.</p>

# ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement (continued)

### Voting (for equity/multiasset funds only)

As the Scheme invests via fund managers the managers provided details on their voting actions including a summary of the activity covering the reporting year up to 05 April 2022. The managers also provided examples of any significant votes.

Fund name	Voting summary	Examples of significant votes	Commentary
LGIM – Equity (Hedged and Unhedged)	<p>Votable Proposals : 11,660</p> <p>Proposals Voted : 11,641</p> <p>Voted with management : 9,410</p> <p>Voted against management: 2,228</p> <p>Abstain votes : 22</p>	<p>Apple Inc. – LGIM voted in favour of a report on Civil Rights Audit.</p> <p>LGIM voted in favour of the company reporting on its Civil Rights Audit as they support proposals that encourage diversity and inclusion. LGIM saw the audit as an opportunity for the company to consider issues that are material risk to the company.</p> <p>Abbott Laboratories –</p> <p>LGIM voted in favour of electing an independent board chair.</p> <p>LGIM has a longstanding policy that advocates for the separation of the roles of the CEO and board chair. LGIM feel the roles are substantially different, requiring distinct skills and experiences. LGIM have published a guide for boards on the separation of the roles of chair and CEO and have reinforced their position on leadership structures across their stewardship activities.</p>	<p>LGIM's Investment Stewardship team uses ISS's 'Proxy Exchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions. To ensure their proxy provider votes in accordance with their position on ESG, they have put in place a custom voting policy with specific voting instructions.</p>

# ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement (continued)

<p>Schroders – Diversified Growth Fund</p>	<p>Votable Proposals: 22,236 Proposals Voted: 21,169  For votes: 20,101  Against votes: 2,001  Abstain votes : 133</p>	<p>Alphabet Inc. – Schroders voted for a proposed increased transparency of methods used to determine gender and racial pay gap reporting.</p> <p>Schroders believed that by increasing the transparency of the current systems in place it would push the company's work to narrow gender and racial discrepancies in the workforce further. Although the company currently reports in line with UK regulation, and the company has committed to disclose its equal employment opportunity report. This has not yet been disclosed and current stats disclosed show a lack of progress on promoting a diverse talent pool.</p> <p>Book Holdings Inc. –  Schroders voted for a proposal that asked the company to issue an annual climate transition report. Schroders are eager for the company to further develop its approach to climate governance, strategy, risk management, reporting and targeting setting.</p>	<p>Schroders' Corporate Governance analysts assess any company's resolutions and apply Schroders' voting policies and guidelines to each agenda item. The team utilises their own knowledge, as well as utilising external providers' research, such as the Investment Association's guidelines, the Institutional Shareholders Services("ISS") and public reporting.</p> <p>Schroders uses a third- party provider to execute all proxy voting instructions electronically. The manager regularly reviews their arrangement with these providers and benchmark them against peers.</p>
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# ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

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## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement (continued)

#### Implementation statement Money Purchase Sections

##### Background

The Department for Work and Pensions ('DWP') is increasing regulation to improve disclosure of financially material risks. This regulatory change recognises Environmental, Social and Governance (ESG) factors as financially material and schemes need to consider how these factors are managed as part of their fiduciary duty. The regulatory changes require that schemes detail their policies in their Statement of Investment Principles (SIP) and demonstrate adherence to these policies in an implementation report.

#### Statement of Investment Principles (SIP)

The Scheme has updated its SIP in response to the DWP regulation to cover:

- policies for managing financially material considerations including ESG factors and climate change
- policies on the stewardship of the investments

The SIP can be found online at the web address here:

<https://www.arrivapensions.com/~media/Files/A/Arriva-Pensions/documents/arriva-passenger-services-national-pension-scheme-money-purchase-section.pdf>

Changes to the SIP are detailed on the following pages.

#### Implementation Report

This Implementation Report is to provide evidence that the Scheme continues to follow and act on the principles outlined in the SIP. This report details:

- actions the Scheme has taken to manage financially material risks and implement the key policies in its SIP.
- the current policy and approach with regards to ESG and the actions taken with managers on managing ESG risks.
- the extent to which the Scheme has followed policies on engagement, covering engagement actions with its fund managers and in turn the engagement activity of the fund managers with the companies they invest.
- voting behaviour covering the reporting year up to 5 April 2022 for and on behalf of the Scheme including the most significant votes cast by the Scheme or on its behalf.

#### Summary of key actions undertaken over the Scheme reporting year

No key actions were undertaken over the Scheme's reporting year.

#### Implementation Statement

This report demonstrates that the Arriva Passenger Services National Pension Scheme (Money Purpose Sections) has adhered to its investment principles and its policies for managing financially material considerations including ESG factors and climate change.



# ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement Money Purchase Sections (continued)

#### Managing risks and policy actions

Risk / Policy	Definition	Policy	Actions
Inflation	The risk that the level of investment return over members' working lives will not keep pace with inflation and will not, therefore secure an adequate retirement benefit.	The Trustee recognises that members take the investment risk. The Trustee takes account of this in the selection and monitoring of investment managers and the choice of funds offered to members.	There have been no changes to the policy over the reporting year.
Volatility	The risk of significant short-term fluctuations in the value of members' invested capital which some members may be concerned about.	Same policy as above.	There have been no changes to the policy over the reporting year.
Capital	The risk of a significant fall in value of members' invested capital as they approach retirement.	Same policy as above.	There have been no changes to the policy over the reporting year.
Conversion	The risk that relative market movements in the years just prior to retirement lead to a substantial reduction in benefits secured.	Same policy as above.	There have been no changes to the policy over the reporting year.
Default investment option	The risk of the default investment option being unsuitable for the requirements of some members.	The Trustee has provided additional lifestyle and individual fund options in addition to the default investment option and has communicated to members the need to review their own requirements and circumstances before making any investment decisions.	There have been no changes to the policy over the reporting year.
Investment manager	The risk that the selected investment managers underperform their objectives.	The Trustee regularly reviews each fund's investment performance and takes ongoing advice from the investment adviser on the ongoing suitability of the funds and investment managers. The Trustee focuses on providing passive options that avoid active management risk.	There have been no changes to the policy over the reporting year.

## ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

### TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

#### Implementation statement Money Purchase Sections (continued)

Diversification	No definition included in the SIP.	The Trustee has chosen funds that are constructed from well diversified portfolios of assets to reduce the stock specific risk faced by the Scheme.	There have been no changes to the policy over the reporting year.
Liquidity	Being forced to sell investments to pay benefits in unfavourable financial market conditions.	The Trustee has invested in unitised pooled funds which are easily redeemable.	There have been no changes to the policy over the reporting year.
Geared or speculative investments using derivatives	No definition included in the SIP.	The Trustee has not invested in funds that are geared or make largely speculative use of derivatives.	There have been no changes to the policy over the reporting year.
Credit	The risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation.	The credit risk the Scheme is exposed to arises from holdings in the underlying funds.	There have been no changes to the policy over the reporting year.
Market	The Scheme is subject to currency, interest rate and other price risk associated with the underlying investments. These risks can impact the valuations of the funds.	The Trustee has selected a sufficient range of funds to be available to allow members to suitably diversify their investments to manage these risks. This is also considered when setting the lifestyle strategies. Further, the Trustee closely monitors the performance of the funds and receives formal reports from the investment adviser giving views on their continuing appropriateness, and that of the underlying investment managers.	There have been no changes to the policy over the reporting year.
Fraud, poor advice or acts of negligence ('operational risk')	No definition included in the SIP.	The Trustee has sought to minimise such risk by ensuring that all advisers and third-party service providers are suitably qualified and experienced, and that suitable liability and compensation clauses are included in all contracts for professional services received	There have been no changes to the policy over the reporting year.

# ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement Money Purchase Sections (continued)

Responsible investment	In setting the Scheme's investment strategy, including the default investment option, the Trustee's primary concern is to act in the best financial interests of the Scheme and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk. This includes the risk that environmental, social and governance factors including climate change negatively impact the value of investments held if not understood and evaluated properly.	The Trustee considers this risk by taking advice from their investment adviser when setting the Scheme's investment strategy (including the different options available to members), when selecting managers and when monitoring their performance.	More details on the responsible investment policy and how it is implemented are presented later in this report.
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### Implementing the current ESG policy and approach

#### ESG as a financially material risk

The SIP describes the Scheme's policy regarding ESG as a financially material risk. This page details how the Scheme's ESG policy is implemented, while the following pages outline our view of the managers, our actions for engagement and an evaluation of the stewardship activity.

The below outlines the areas which the Scheme's investment managers are assessed on when evaluating their ESG policies and engagements. The Trustee intends to review the Scheme's ESG policies and engagements periodically to ensure they remain fit for purpose.

#### Implementing the Current ESG Policy

##### Stewardship – Voting & Engagement

The Trustee invests in pooled funds and as such have delegated responsibility for the selection, retention, and realisation of investments to the Scheme's investment managers in whose funds they invest.

The Trustee recognises the importance of its role as a steward of capital and the need to ensure the highest standards of governance and promotion of corporate responsibility in the underlying companies and assets in which the Scheme invests, as this ultimately creates long-term financial value for the Scheme and its beneficiaries.

As part of their delegated responsibilities, the Trustee expects the Scheme's investment managers to:

- where appropriate, engage with investee companies with the aim to protect and enhance the value of assets; and
- exercise the Trustee's voting rights in relation to the Scheme's assets.

## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement Money Purchase Sections (continued)

#### Stewardship – Voting & Engagement (continued)

The Trustee regularly reviews the continuing suitability of the appointed managers and takes advice from the investment adviser regarding any changes. Where appropriate, this advice includes stewardship matters and the exercise of voting rights by the appointed managers. If an incumbent manager is found to be falling short of the standards that the Trustee has set out in its Responsible Investment policy, the Trustee undertakes to engage with the manager and seek a more sustainable position (where possible) but may look to replace the manager.

The Trustee endeavours to review the stewardship activities of its investment managers on an annual basis, covering both engagement and voting actions. The Trustee will review the alignment of its policies to those of the Scheme's investment managers and ensure the managers, or other third parties, use their influence as major institutional investors to carry out the Trustee's rights and duties as a responsible shareholder and asset owner. This will include voting, along with – where relevant and appropriate – engaging with underlying investee companies and assets to promote good corporate governance, accountability, and positive change.

On an annual basis, the Trustee expects managers to provide aggregate voting information at a fund level and voting rationale for significant votes (defined as where votes were cast against management or where voting differed from the standard voting policy of the manager).

The Trustee will engage with its investment managers, as necessary, for more information to ensure that robust active ownership behaviours, reflective of its active ownership policies, are being actioned. From time to time, the Trustee will consider the methods by which, and the circumstances under which, it would monitor and engage with an issuer of debt or equity, an investment manager or another holder of debt or equity, and other stakeholders. The Trustee may engage on matters concerning an issuer of debt or equity, including their performance, strategy, risks, social and environmental impact and corporate governance, the capital structure, and management of actual or potential conflicts of interest.

This advice includes consideration of broader stewardship matters and the exercise of voting rights by the appointed managers.

#### Members' Views and Non-Financial Factors

In setting and implementing the Scheme's investment strategy, the Trustee does not explicitly take into account the views of Scheme members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as "non-financial factors").

The underlying funds that make up the default investment option, the alternative lifestyle options and other self-select funds should not apply personal ethical or moral judgements as the sole basis for an investment decision.

#### Engagement

As the fund manager for the Scheme's default investment strategy, the BlackRock Cautious Lifestyle Option, BlackRock has provided details on their engagement actions including a summary of the engagements by category for the 12-month period to 5 April 2022.

BlackRock were only able to provide engagement data for a limited number of funds covering the 12 months to 31 March 2022, therefore the below data is for the period 31 March 2021 to 31 March 2022.

# ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement Money Purchase Sections (continued)

#### Engagement (continued)

Fund name	Engagement summary	Commentary
BlackRock Aquila Connect World (ex UK) Equity Index Fund	Total engagements: 1,454 Environmental: 1,264 Social: 589 Governance: 982	BlackRock's approach to corporate governance and stewardship is explained in their Global Principles, which are reviewed annually to reflect market standards, evolving governance practice and insights gained from engagement over the prior year. BlackRock's Investment Stewardship team engages with companies to provide feedback on their practices and inform their voting including, focussing on ESG considerations where there may be a long-term impact for these companies.
BlackRock Aquila Connect UK Equity Index Fund	We requested this data from BlackRock; however, they were unable to produce this level of reporting. We are working with them to ensure that this data is available in future.	See previous commentary.
BlackRock Aquila Connect Corporate Bond All Stocks Fund	We requested this data from BlackRock; however, they were unable to produce this level of reporting. We are working with them to ensure that this data is available in future.	See previous commentary.
BlackRock Aquila Connect Over 5 Year Index-Linked Gilts Index Fund	We requested this data from BlackRock; however, they were unable to produce this level of reporting. We are working with them to ensure that this data is available in future.	See previous commentary.
BlackRock Aquila Connect Over 15 Years UK Gilt Index Fund	We requested this data from BlackRock; however, they were unable to produce this level of reporting. We are working with them to ensure that this data is available in future.	See previous commentary.

# ARRIVA PASSENGER SERVICES NATIONAL PENSION SCHEME

## TRUSTEE'S REPORT YEAR ENDED 5 APRIL 2022

### Implementation statement Money Purchase Sections (continued)

#### Voting (for equity/multi asset funds only)

As the Scheme invests via BlackRock, the manager has provided details on their voting actions including a summary of the activity covering the reporting year up to 5 April 2022. BlackRock also provided examples of any significant votes.

BlackRock were only able to provide voting actions for the 12 months to 31 March 2022, therefore the below data is for the period 31 March 2021 to 31 March 2022.

This section is required for equity and multi asset funds only.

Fund name	Voting summary	Examples of significant votes	Commentary
BlackRock Aquila Connect World (ex UK) Equity Index Fund	Meetings eligible to vote for: 1,972 Resolutions eligible to vote for: 24,008 Resolutions voted: 99% Votes for management: 92% Votes against management: 7% Abstained from voting: 0%	Johnson & Johnson – a shareholder proposal was raised for Johnson & Johnson to require an Independent Board Chair. The manager voted against this proposal as, based on their analysis, they believe the board already has an appropriate leadership structure in place and that the current lead independent director has a robust and independent oversight role. Vinci SA – management proposed an advisory shareholder vote on the company's environmental transition plan. The manager voted in favour of this proposal as it provided a clear roadmap towards the company's stated climate ambitions and targets. Chevron Corporation – a shareholder proposal requested that Chevron substantially reduce the greenhouse gas emissions of their energy products (scope 3) in the medium and long-term future. The manager voted in favour of the proposal as they believe that all carbon intensive industries should aim to set scope 3 emissions reduction targets.	BlackRock uses institutional Shareholder Services (ISS) electronic platform to execute vote instructions. BlackRock categorise their voting actions into two groups: holdings directors accountable and supporting shareholder proposals. Where BlackRock have concerns around the lack of effective governance on an issue, they usually vote against the re-election of the directors responsible to express this concern.
BlackRock Aquila Connect UK Equity Index Fund	No data available.	We requested this data from BlackRock; however, they were unable to produce this level of reporting. We are working with them to ensure that this data is available in future.	Please see above.