

Implementation Statement

The Trustees have indicated in their Statement of Investment Principles that the Pension Scheme does not actively incorporate social, environmental and ethical considerations in the selection, retention and realization of investments. Due to the size of the fund it is not economical to invest in individual equity investment and investment funds that have the required diversification and cost efficiency are used.

When selecting ODDO-BHF Asset Management the Trustees would have considered their investments and ethos of the firm in making our selection.

1. ESG implementation

The Pension Scheme is invested in the MGR Fund (the "Fund") which is launched and managed by ODDO-BHF Asset Management GmbH ("OBAM"). OBAM describes the activities of the Fund below:

1.1. Overview on Sustainability Risks

The fund's assets can be adversely affected by sustainability risks.

Sustainability risks are understood to mean events and / or conditions in relation to "the environment, social issues and corporate governance" ("ESG - Environment, Social and Governance"), which when they occur, cause an actual or potential materially negative impact on the assets of the Fund.

The sustainability risk can either represent its own risk or affect other risks and materially contribute to these, such as exchange rate risks, liquidity risks, counterparty risks or Operational Risks. These events or conditions are described in "Environment, Social and Governance" ("ESG") and relate, among other things, to the following topics:

Environment

- Climate protection
- Adaptation to climate change
- Protection of biological diversity
- Sustainable use and protection of water and marine resources
- Transition to a circular economy, waste prevention and recycling
- Avoiding and reducing pollution
- Protection of healthy ecosystems
- Sustainable land use

Social

- Compliance with recognized labour standards (no child or forced labour, no discrimination)
- Compliance with occupational safety and health protection
- Appropriate remuneration, fair conditions in the workplace, diversity and training and further education opportunities
- Freedom of association and assembly
- Ensuring adequate product safety, including health protection
- Same requirements for companies in the supply chain
- Including projects and consideration for the interests of communities and social minorities

Corporate governance

- Tax honesty
- Measures to prevent corruption
- Sustainability management by the board
- Management board remuneration based on sustainability
- Facilitating whistle blowing
- Guarantee of workers' rights
- Guarantee of data protection
- Disclosure of Information

1.2. Policy on Sustainability Risks

Given the size of the overall Fund, both for practical reasons and also in the interest of cost efficiency, it is not useful for the Fund to invest into single equities directly. Instead, the Fund is invested into the stock market through investing in funds that provide the required amount of proper diversification, cost efficiency, liquidity and lot size. The latter is especially important given the need of the scheme (being closed to new contributors) for regular divestments to service the ongoing pension payments. Thus, no voting rights are attributable to the Fund, and therefore no exercise of voting rights is possible.

However, OBAM confirms that it has been a signatory of the UN PRI since 2010, is following ESG principles in an increasing number of their retail products and could offer the exercise of voting rights on behalf of the Fund in case such rights would be available to the Fund in the future..

2. Investment Strategy

On the investment strategy, OBAM meets regularly with the trustees as part of trustee meetings, usually twice a year. OBAM reports in detail on past activities, investment results and the current situation and outlook for financial markets. In addition, OBAM is accessible to the trustees at any time, and has been contacted at critical junctures in the past, to give ad-hoc assessments of the current situation and the measures taken.

The costs have been assessed as competitive given the scheme's size and are audited and reported as part of the Fund's annual report.