

Knight Frank Staff Pension Fund

Engagement Policy Implementation Statement for the year ending 31 December 2024

Introduction

The Trustee Directors (the “Directors”) of the Knight Frank Staff Pension Fund (the “Fund”) have a fiduciary duty to consider their approach to the stewardship of the investments, to maximise financial returns for the benefit of members and beneficiaries over the long term. The Directors can promote an investment’s long-term success through monitoring, engagement and/or voting, either directly or through their investment managers. Since the Directors entered into a “Bulk Purchase Annuity Agreement (BPA) with Standard Life Assurance Limited (“Standard Life”) to insure the liabilities of the Fund in full, the Directors recognise there is little scope for engagement activity or impact. A surplus cash holding following the BPA transaction remains invested in the LDI GBP Liquidity Holding Fund, however, this is a fund that primarily invests in short term deposits, with no voting powers.

This statement sets out how, and the extent to which, in the opinion of the Directors, the policies (set out in the Statement of Investment Principles) on the exercise of rights (including voting rights) attaching to the investments, and engagement activities have been followed during the year ending 31 December 2024. This statement, which should be considered as part of the Trustee Report and Accounts, excludes Additional Voluntary Contribution (“AVC”) assets. The Trustee Directors believe that the policies, as set out in the Statement of Investment Principles, have been adhered to.

The Directors have decided not to take non-financial matters into account when considering their policy objectives.

Stewardship - monitoring and engagement

The Directors recognise that investment managers’ ability to influence the companies in which they invest will depend on the nature of the investment.

The Directors’ policy is to 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 where possible.

The Directors also delegate responsibility for engaging and monitoring investee companies to the investment managers and expect the investment managers to use their discretion to maximise financial returns for members and others over the long term.

The Directors seeks to appoint managers that have strong stewardship policies and processes and are supportive of its investment managers being signatories to the United Nations’

Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020. Details of the signatory status of each investment manager is shown below:

Investment manager/ Provider	UN PRI Signatory	UK Stewardship Code Signatory
Standard Life (BPA provider)	Yes	Yes
Insight	Yes	Yes

The Directors review each investment manager prior to appointment and monitors them on an ongoing basis through the regular review of the manager's policies, and behaviour. The Directors monitor the performance of the Fund on a quarterly basis and if there are any policy changes, the Directors will be informed via the Investment Consultant.

The Directors have not set out their own stewardship priorities but follow that of the investment managers.

The Directors will engage with a manager should they consider that manager's engagement policy to be inadequate or if the engagement undertaken is not aligned with the manager's own policies, or if the manager's policies diverge significantly from any stewardship policies identified by the Trustee from time to time.

If the Directors find any manager's policies or behaviour unacceptable, it may agree an alternative mandate with the manager or decide to review or replace the manager.

As all of the investments are held in pooled vehicles and insurance policies, the Directors do not envisage being directly involved with peer-to-peer engagement in investee companies.

Investment manager engagement policies

The Fund's investment managers are expected to have developed and publicly disclosed an engagement policy. This policy, amongst other things, provides the Directors with information on how each investment manager engages in dialogue with the companies it invests in and how it exercises voting rights. It also provides details on the investment approach taken by the investment manager when considering relevant factors of the investee companies, such as strategy, financial and non-financial performance, and risk, and applicable social, environmental, and corporate governance aspects.

Links to the investment manager's engagement policy or suitable alternative is provided in the Appendix.

These policies are publicly available on the investment manager's website.

There are no opportunities for engagement within the Insight Liquidity Fund.

Exercising rights and responsibilities

The Directors recognise that different investment managers should not be expected to exercise stewardship in an identical way, or to the same intensity.

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Given the nature of the investments, the investment manager is not expected disclose voting behaviour, the most significant votes cast or report on the use of proxy voting advisers.

Directors' assessment

The Directors have undertaken a review of each investment manager's engagement policy including their policies in relation to financially material considerations.

The Directors may also consider reports provided by other external ratings providers.

Where an investment manager has received a relatively low rating from the investment consultant or from other external rating providers, the Directors may consider whether to engage with the investment manager.

The Directors have reviewed the investment manager's policies relating to engagement and voting and how they have been implemented and have found them to be acceptable at the current time.

The Directors recognise that engagement and voting policies, practices, and reporting, will continue to evolve over time and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020.

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Appendix

Links to the Engagement Policies for each of the investment managers can be found here:

Investment manager	Engagement Policy (or suitable alternative)
Insight Investment	https://www.insightinvestment.com/globalassets/documents/responsible-investment/responsible-investment-reports/uk-eu_stewardship_policy_2024.pdf
Standard Life	https://library.standardlife.com/invcp55.pdf https://library.standardlife.com/invcp53.pdf