

Greenbank

**Engagement action plan
2024**



Greenbank engagement action plan 2024

Our vision is to empower our clients to invest their money as a force for good, together championing the transition to a healthier planet and a more equitable society.



Introduction

Taking an active approach to engagement is a core part of our service and complements our investment analysis, as we aim to create and preserve long-term value for our clients. It is a vital expression of our role as stewards of our clients' assets to advocate whenever possible for positive and lasting change within the companies that we invest in on their behalf. We engage on issues that are important financially, but we will also act where we feel an issue presents long-term systemic risks or we identify a moral imperative to address social or environmental concerns — in line with the expectations of our clients.

We engage at both a company-specific and thematic level and our activity is set in the context of long-term dialogue and ownership. We recognise the power of collaborative engagement and partnerships and so, where appropriate, we collaborate with Non-Governmental Organisations (NGOs) and other members of the responsible investment community to increase the reach and impact of our engagement activities. This enables us to create change on a deeper or more widespread scale than we may be able to achieve individually.

We also engage with policymakers and data providers. You can read more about our approach to engagement in our [engagement policy](#) and our [engagement review](#).

Our 2024 action plan

This 2024 action plan highlights our programme of thematic engagement, which is closely linked to our eight [sustainable development themes](#). We also operate an ongoing programme of tactical engagement with the companies in which we invest. As part of our ongoing proprietary company research our in-house Ethical Sustainable and Impact research team identifies specific risks and proactively engages with companies to address these concerns. We divide our projects into priority and secondary groupings. For priority projects, Greenbank play a leading role in shaping the overall direction and strategy of the project. With secondary projects, we aim to still play an active role in progressing objectives but will generally join existing collaborative engagements and play a less active role in setting the strategy.

The value of investments and the income from them may go down as well as up and you may not get back what you originally invested.

Priority engagement projects

We have chosen the following engagement projects to focus on as a priority for 2024.





Investor Coalition on Food Policy

Purpose: To advocate for well-designed regulation and standard setting for the food sector to promote greater transparency and accountability, as well as changing food policy and business practices — all of which are required to support the creation of a healthy, sustainable and affordable food system.

Overview of project: Our stewardship and engagement lead will continue to chair the Coalition until May 2024 and will likely continue to serve on the advisory board for 2024/25 at a minimum. The role of chair means guiding the overall strategy and direction of the Coalition. Greenbank are also part of the policy working group.

The coalition will continue to contribute to the UK Government's **Food Data Transparency Partnership** throughout 2024 and engage cross-party to make the investor case for the agreed reporting outputs to be made mandatory instead of voluntary. We will also continue to coordinate the investor voice to contribute to other related food policy initiatives. Other potential areas for 2024 include a focus on corporate lobbying by the food sector.

Consumer health

Purpose: To improve company disclosure of key health metrics, which help investors to understand how retailers and manufacturers are improving the access and availability of healthy products through reformulation, product innovation, and promotions.

Overview of project: Greenbank will continue to engage with a small set of food retailers and manufacturers via **ShareAction's** Long-term Investors in People's Health programme and the Access to Nutrition Initiative (ATNI) where collaborative engagement opportunities arise, and on a more ad hoc basis where we identify other opportunities to engage with companies where we have financial exposure.

Worker health (inclusive of mental health)

Purpose: To improve awareness and understanding of how worker health impacts social, corporate and investor outcomes, including a focus on mental health.

Overview of project: ShareAction's Long-term Investors in People's Health initiative is building out a strand of work focused on worker health. The focus companies and goals of this strand are yet to be finalised, though are likely to blend both policy and sectoral engagement to improve disclosure of worker health data and company-specific engagement to improve performance. Greenbank have provided detailed feedback to ShareAction on the development of the worker health workstream and will continue to do so as engagement plans develop. Specifically on mental health, Greenbank will continue to engage with companies that have scored in the lowest tier of **CCLA's UK mental health benchmark**, with the goal being to see demonstrable improvements in mental health initiatives and disclosure.

Air pollution

Purpose: To improve investor understanding of the materiality and drivers of air pollution.

Overview of project: ShareAction's Long-term Investors in People's Health initiative is also developing this strand of work and it is still in the early stages of development.

Access to Medicine

Purpose: To encourage pharmaceutical companies to expand access to their essential healthcare products in low- and middle-income countries.

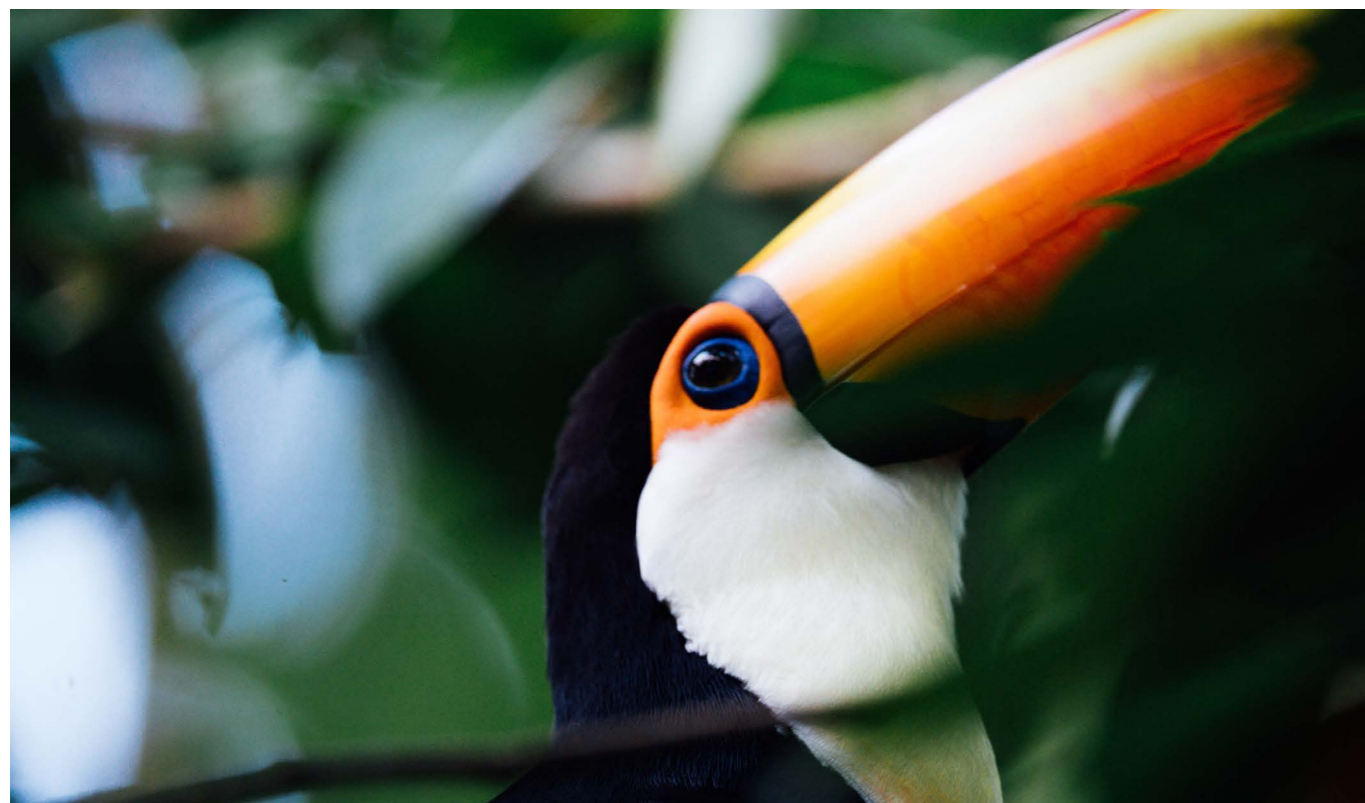
Overview of project: Greenbank will continue to support engagement coordinated by the **Access to Medicine Foundation**.

Biodiversity

Purpose: To encourage companies to mitigate biodiversity-related risks and to reduce or reverse their negative impacts on biodiversity.

Overview of project: Engagements with priority companies will encourage them to take robust actions to address their biodiversity impacts, aligned to best practice guidance in emerging frameworks from **Nature Action 100** (NA100), the **Taskforce on Nature-related Financial Disclosures** and the **Science-based Targets Network**. We will also continue to monitor the performance of the financial institutions we engaged with in 2023 on the topic of deforestation. We will assess how they are progressing in the six areas set out in **Global Canopy's Finance Sector Roadmap** and escalate where we feel sufficient progress has not been made.

Greenbank will also continue our membership of the **Finance for Biodiversity** foundation, participating in three working groups (engagement, public policy and target setting). Some of the main outputs from this initiative will include encouraging the development of effective National Biodiversity Strategies and Action Plans by jurisdictions at COP16 (the 16th meeting of the UN biodiversity COP, to be held in 2024) and publishing a sector-specific engagement guide for the electric utilities industry.



Building an enabling policy environment for private sector action on biodiversity

Purpose: To improve the enabling environment for companies to act to reverse nature loss and demonstrate there is private sector support for effective long-term policymaking on this issue.

Overview of project: Greenbank will continue our membership of the **Green Finance Institute's** UK Financial Institutions Nature Group and will seek to co-develop guidance on credible biodiversity offsets as well as consulting with the Department for Environment, Food and Rural Affairs officials on how to accelerate private sector investment into nature restoration. Plans and exact activities for 2024 are still to be confirmed.

World Heritage Sites

Purpose: To encourage greater uptake of no-go commitments for extractive industry activity in biodiversity rich sites and raise awareness of the issue.

Overview of project: Greenbank will co-publish a World Heritage Sites paper written alongside the United Nations Educational, Scientific and Cultural Organization (UNESCO), other investors, and relevant corporates to encourage greater uptake of no-go commitments, improve the quality of existing commitments, and raise awareness of the issue among the broader investment community.

Water

Purpose: To encourage companies to manage the natural resource risks associated with stress and demand on water systems.

Overview of project: Greenbank are likely to join the **Valuing Water Finance Initiative** (VWFI) led by nonprofit organisation Ceres. The focus of the collaborative engagement initiative is engaging with companies to ensure that their practices do not negatively impact water quality and availability, that they integrate sound water management into business processes and governance and protect ecosystems critical to the freshwater suppliers on which their businesses depend. Greenbank will start by conducting research to understand which companies should be a priority for engagement from both an impact and dependency perspective. We will then consider if VWFI can offer the right opportunities for collaborative engagement given the research findings or if direct engagement is more suitable.

Climate



Energy and
climate

Purpose: To support the Greenbank target of becoming a net zero greenhouse gas emissions business by 2040 and to align companies with global efforts to limit warming to 1.5 degrees Celsius.

Overview of project: A core focus of our direct engagement with companies will be encouraging them to develop a robust climate strategy, aligned to the core and additional criteria laid out in the **Net Zero Investment Framework**, including setting short, medium and long-term science-based targets, having strong climate governance in place and allocating sufficient capital to decarbonisation, as well as ensuring companies are transitioning in a fair and inclusive way.

We will continue to monitor priority companies and escalate engagement where we have concerns around the pace at which they are progressing towards full compliance with the Net Zero Investment Framework criteria. We will also continue to participate in the **Institutional Investors Group on Climate Change**'s (IIGCC) Net Zero Engagement initiative groups for three major companies.

We will also continue to support the work of the **Financing a Just Transition Alliance** and look for opportunities to join projects and provide insight. In the meantime, 'just transition' principles will be integrated into our direct engagement with companies.



Secondary engagement projects

With secondary engagement projects, we still play an active role in progressing objectives but are more likely to join existing collaborative engagements and play a less active role in setting the strategy.

In 2024 Greenbank will be focused on the following secondary engagement projects.

Human rights



Human rights due diligence

Purpose: To communicate the importance we place on human rights due diligence to the companies in which we invest, as well as outlining the key areas for improvement.

We are aiming for greater consideration and management of human rights risks in the supply chain, as well as enhanced disclosure from companies on the issue. Performance will be assessed against the bespoke scorecard we have developed which leans heavily on the United Nations Guiding Principles and best practices identified by the [Investor Alliance on Human Rights](#).

Digital rights

Purpose: To improve companies' policies and processes affecting digital rights, as well as adding our voice to calls for a strong and supportive regulatory landscape in this space.

Digital rights are an extension of the rights set out in the Universal Declaration of Human Rights by the United Nations as applied to the online world.

Artificial Intelligence (AI)

Purpose: To support the adoption of AI regulation globally which is focused on AI safety, ethics and responsible AI use, as well as transparency and accountability.

Circular economy



Purpose: To support a transition to a circular economy for plastics by supporting the creation of an ambitious and legally binding United Nations treaty to end plastic pollution. We will also encourage companies to eliminate unnecessary plastics, while increasing recycling and the replacement of plastics with greener alternatives.



Animal welfare



Purpose: To improve company approaches to farm animal welfare management, performance and disclosure over time, working with the **Business Benchmark on Farm Animal Welfare**.

Workforce



Purpose: To ensure companies are providing quality work to employees, including providing a living wage. Also focusing on improving company disclosure on work-related issues and practices with the aim of increasing the provision of good jobs. Several issues will be covered including labour rights, fair wages and investment in the workforce.

Responsible tax



Purpose: To promote tax fairness among companies.

Greenbank will attend a monthly tax working group call, convened by the **Principles for Responsible Investment**. This group has identified tax fairness as a priority issue and provides investors with resources to engage as well as stay informed on this topic. There may be opportunities for collaborative engagement over the course of 2024, or tax fairness could be incorporated into other engagement discussions with companies.

References

| | |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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Greenbank

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