

Greenbank

Engagement action plan
2025



Greenbank engagement action plan 2025

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 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, fund 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.

It is important to measure the effectiveness of our stewardship and engagement activities. At the start of each engagement, we define objectives of the engagement. We then track milestones on a regular basis and whether we have had to escalate the engagement. We also track when the engagement has reached an outcome and whether this has been successful or unsuccessful.

We also engage with policymakers and data providers. Public policy and data can play a powerful role in shaping and incentivising progress toward sustainable development by setting the rules of the game.

You can read more about our approach to engagement in our [engagement policy](#) and our [engagement review](#).

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.



Our 2025 action plan

This 2025 action plan highlights our programme of thematic engagement, which is closely linked to our eight sustainable development themes. We divide our engagement projects into priority and secondary groupings. For priority projects, Greenbank plays a leading role in shaping the overall direction and strategy of the project. With secondary projects, we still aim to play an active role in progressing objectives but will generally join existing collaborative engagements and play a less active role in setting the strategy.

We also operate an ongoing programme of tactical engagement with the companies and funds in which we invest. As part of our ongoing proprietary company and fund research our in-house research team identifies specific risks through daily news monitoring and wider research and proactively engages with companies to address these concerns.

For each engagement project, we have specified our core expectations of companies. These will guide our engagement and will be adapted as appropriate to the specific circumstances. At the outset of each project, we will set company or policy-level objectives that are tracked on a quarterly basis. These are also reported in our annual engagement review.

Priority engagement projects

We have chosen the following engagement projects to focus on as a priority for 2025:

Climate change

Nature

Human rights

We recognise the interconnectedness of these environmental and social issues and seek to reflect this in our engagements with companies where possible.

Climate change

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.

Why has it been selected?

Climate change has been chosen as a priority engagement focus to support us in managing our climate-related financial risks and opportunities (transition, physical and systemic) and to help us to achieve our overall net zero target for Greenbank.

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.

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. This will involve collaborating closely with the Rathbones stewardship team, to ensure wider coverage across companies and greater impact.

We will continue to participate in the Institutional Investors Group on Climate Change's (IIGCC) Net Zero Engagement initiative, a collaborative engagement which focuses on major emitters that fall beyond the Climate Action 100+ focus list. Through this, we will actively support engagement with two companies. Greenbank will also continue to support engagement with one company as part of the Climate Action 100+ initiative.

We will also continue to engage with the funds we invest in, to ensure that they adopt ambitious net zero strategies. We conduct an annual assessment of funds across a range of climate-related criteria, including net zero targets, carbon footprint, the alignment of fund holdings to net zero and how they consider the impact of transition and physical climate risk. As part of this focus on funds, we will continue to be an active member of the UK Wealth Managers on Climate Group, which aims to engage collaboratively with asset managers on climate to support greater ambition within the industry.

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'¹ principles will be integrated into our direct engagement with companies.

Core expectations of companies

We align our expectations to the IIGCC's Net Zero Investment Framework (NZIF). This framework outlines the key components of a net zero strategy and transition plan. NZIF's company level assessment and target-setting methodologies are based upon a common framework of criteria and categories. There are four categories of alignment: not aligned, committed to aligning, aligning to a net zero pathway, aligned to a net zero pathway.

Underpinning this, NZIF uses a set of ten criteria to assess companies. These include 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.



¹A just transition seeks to ensure that the substantial benefits of a green economy transition are shared widely, while also supporting those who stand to lose economically – be they countries, regions, industries, communities, workers or consumers.

Nature

Why has it been selected?

Nature has been chosen as a priority engagement focus to support us in managing our nature-related financial risks and opportunities (transition, physical and systemic). Financial institutions and companies are still at a relatively nascent position in understanding their nature-related impacts and dependencies across the value chain. Engagement can play a key role in understanding the key value drivers and risks associated with nature and encouraging companies to reduce and reverse nature loss throughout their operations and supply chains.

1. Biodiversity risks and opportunities

Purpose

To encourage companies to mitigate biodiversity-related risks and to reduce or reverse their negative impacts on biodiversity, following the mitigation hierarchy.

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) and the Taskforce on Nature-related Financial Disclosures. Priority companies will be selected based on the impact and dependency assessment we conduct, using ENCORE data². We will engage both collaboratively, through NA100 and directly with companies. Depending on the specific company context, engagement will cover a range of issues including pollution, water and deforestation.

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, continuing to participate in the public policy and targets setting working groups and for the first year, also joining the impact assessment working group.

² ENCORE sets out how the economy – sectors, subsectors and activities – depends and impacts on nature. Financial institutions can use data from ENCORE to identify nature-related risks they are exposed to through their lending, underwriting and investment in high-risk industries and sub-industries. ENCORE was developed and is maintained by Global Canopy, UNEP FI and UNEP-WCMC.

Core expectations of companies

We rely on best practice standards such as NA100, Forest 500 (Global Canopy) and the Finance Sector Roadmap (Deforestation Free Finance) to set our performance and disclosure expectations of companies in our investment universe.

The NA100 expectations for companies are a set of six actions that will help to protect and restore nature and ecosystems and are related to the areas of ambition, assessment, targets, implementation, governance and engagement.

Global Canopy's annual Forest 500 report assesses the performance of 350 companies and 150 financial institutions who are included in the benchmark due to their significant potential exposure to tropical deforestation. Companies are assessed using a range of criteria, including deforestation commitment strength, associated human rights abuses and implementation and reporting, including transparency in reporting progress against deforestation and human rights commitments.



Nature

2. Building an enabling policy environment for private sector action on nature

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 consult 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 2025 are still to be confirmed.

We will also continue to engage with the UK Government as it develops its National Biodiversity Strategy and Action Plan, part of its commitment to the Global Biodiversity Framework, agreed at COP15 in 2022.



Human rights

Why has it been selected?

Human rights due diligence is an issue which is often overlooked by investors and some companies, beyond the presence of policies. This engagement aims to continue to make the investment case for human rights due diligence and hold companies to account in their progress against the UN Guiding Principles on Business and Human Rights, which are broadly recognised as the gold standard for human rights due diligence. The digital inclusion and AI focus will also allow us to better understand the risks associated with the development and deployment of AI technologies and act on them.

1. Human rights due diligence

Purpose

To communicate the importance we place on human rights due diligence to the companies in which we invest, and to encourage companies to adopt the best practice as set out in the United Nations Guiding Principles on Business and Human Rights (the UN Guiding Principles).

Overview of project

We will continue to engage with companies on their approach to human rights due diligence, based on an assessment of this against best practice as set out within the UN Guiding Principles.

This will include a review of companies identified as priority, considering exposure across Greenbank client portfolios and prioritising higher risk sectors with significant human rights impacts and risks. We will then produce updated scorecard assessments of existing human rights disclosures using Greenbank's proprietary scorecard assessment, based on the UN Guiding Principles. We will also engage with priority companies to communicate the importance of human rights governance, due diligence, and remediation and to encourage progress against tailored recommendations. We will continue to hold companies to account towards meeting best practice and commend progress made where appropriate.

We will also continue to review the industry landscape in terms of collaborative investor engagements which may support our aims on this engagement, as well as regulatory changes and opportunities for policy development. We will also continue to monitor progress of companies against the CCLA Modern Slavery benchmark, supporting Rathbones Group's ongoing engagement on this issue.

Core expectations of companies

The UN Guiding Principles on Business and Human Rights detail the best practice for companies in managing human rights risks, and as such, we expect our investee companies to be actively pursuing progress towards meeting these fully. This incorporates supply chain disclosure, policy, human rights impact assessments, auditing, grievance, and remedy.

This may in the shorter term be reflected in insights the business shares privately with us on their internal work, but in time will also need to translate into improvements against our scorecard assessments. Where relevant, specific external human rights benchmarks may also be reflected on to our analysis (such as the World Benchmarking Alliance Corporate Human Rights Benchmark), but predominantly our assessment of each company's progress against the UN Guiding Principles will be based on our own scorecard assessments.

In addition, some businesses may be in scope for the EU Corporate Sustainability Due Diligence Directive (CSDDD), mandating the pillars of the UN Guiding Principles. These businesses have a legal obligation to meet the requirements of this new regulation. As the regulatory landscape develops elsewhere there will be increasing mandatory requirements to embody the UN Guiding Principles.



Human rights

2. Digital inclusion and 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. To encourage companies to improve their policies and processes around digital rights and ethical AI. 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.

Overview of project

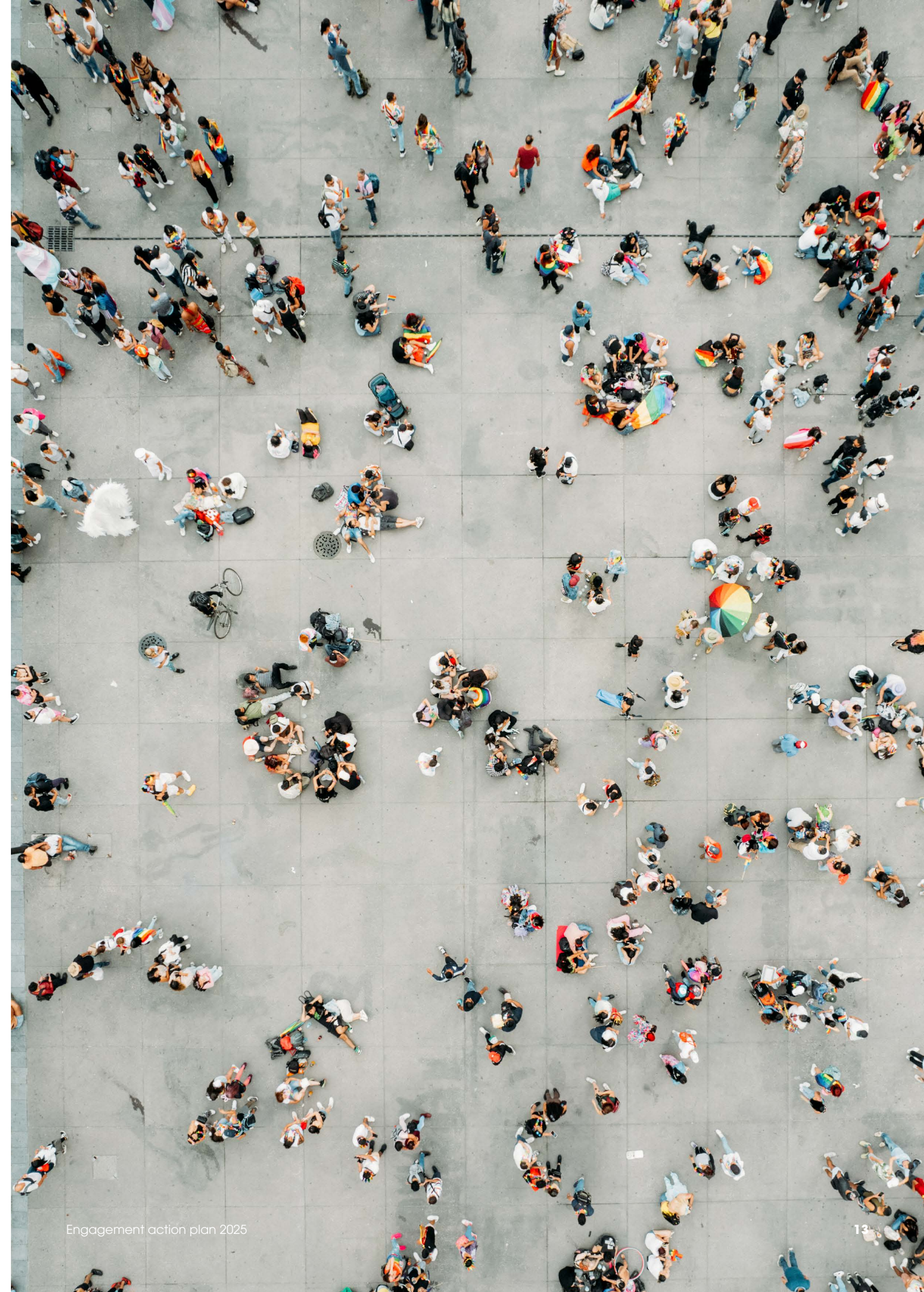
Greenbank will continue to work with the World Benchmarking Alliance's Collective Impact Coalition (CIC) on Ethical AI. The CIC aims to bring multiple stakeholders together to focus on the critical issues to advance corporate practices and bring about systems change through direct collaborative engagement. This engagement aims to encourage investee companies to implement the formal adoption of policies, processes and disclosure related to ethical development and application of AI.

Greenbank will continue to support engagement for two companies. The overall objective is to focus on increasing the commitment of these companies to the ethical development and application of AI, as evidenced by related public disclosure. In addition, our engagement also seeks to raise awareness on the importance of the issue and increase the understanding of current challenges.

Core expectations of companies

Frameworks such as the Ranking Digital Rights scorecard and the WBA CIC on Ethical AI help guide our expectations of companies. These frameworks allow us to align with the most relevant topics and examples of best practice in this sector. Companies will be assessed based on their commitment to and implementation of ethical AI practices, as reflected in their publicly available principles, governance structures, operational frameworks, and practices regarding human rights and AI oversight.

In addition to frameworks, robust regulation is critical to address the risk of AI. The EU AI Act is the first-ever legal framework on AI with the aim of fostering trustworthy AI in Europe and beyond. It ensures that AI systems respect fundamental rights, safety, and ethical principles and by addressing risks of very powerful and impactful AI models. Greenbank fully supports this regulation and will assess how companies adopt this regulation going forward.



Secondary engagement projects

With our 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 2025 Greenbank will be focused on the following secondary engagement themes:

- **Health**
- **Workforce**
- **Circular economy**
- **Animal welfare**



Health

1. 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 the project

We will continue to play an active role in the Investor Coalition on Food Policy, remaining part of the advisory group and the co-chairing the policy working group, although we will be handing over our current position as chair of the coalition in April 2025. Key activities for 2025 will include continuing to contribute to the UK Government's Food Data Transparency Partnership (FDTP) which aims to improve the environmental sustainability and healthiness of food and drink through better food data and engaging cross-party to make the investor case for the agreed outputs of FDTP to be mandatory instead of voluntary. You can read more about our work in this area in our recent report [Sustainable food systems and systemic risks](#).

2. Nutrition

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 the 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 (LIPH) programme and the Access to Nutrition Initiative (ATNI) where collaborative engagement opportunities arise.

Core expectations of companies

We primarily rely on the Access to Nutrition initiative's (ATNI) Index to assess companies on this issue. The ATNI index assesses and ranks the world's largest manufacturers and retailers on their nutrition-related commitments, performance and disclosure. It assesses companies across a range of criteria including product healthiness, marketing to children and affordable nutrition.

3. Access to Medicine

Purpose

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

Overview of the project

We will continue to support engagement coordinated by the Access to Medicine Foundation and lead engagement with 1-3 companies following the release of the latest Access to Medicine Index (exact focus companies to be confirmed in early 2025).

Core expectations of companies

We rely on the Access to Medicine Index to define our expectations in this area. This analytical framework is used to assess, measure and rank 20 of the world's largest pharmaceutical companies' efforts to expand access to medicine in low- and middle-income countries. It assesses performance across a range of areas including governance of access, research and development and product delivery.



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, diversity, equity and inclusion and investment in the workforce.

Overview of the project

1. Good Work Coalition

We will continue to support engagement coordinated by ShareAction's Good Work Coalition where relevant opportunities arise. This will include engagement on topics such as the living wage and ethnicity pay gap reporting.

Core expectations of companies

We align our expectations with standards set by a variety of foundations and standard setting boards, including the Living Wage Foundation and The Good Work Coalition. This includes issues such as a commitment to paying a living wage, providing secure work, a focus on diverse employee representation and providing support for lower paid workers during the cost-of-living crisis.

2. Building an enabling policy environment for private sector action on workforce-related issues and worker health

Greenbank will continue to support the development of policy to improve company disclosures on work-related issues and practices. Additionally, Greenbank will continue to contribute to consultations on the Taskforce on Inequality and Social-related Financial Disclosures (TISFD), a global framework on key social and inequality-related concepts which is currently under development. Greenbank will also look for opportunities to contribute to the International Sustainability Standards Board's (ISSB) preliminary research into a human capital standard, to support the interoperability between emerging reporting frameworks.

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.

Overview of the project

Greenbank is part of the Business Coalition for a Global Plastics Treaty (BCGPT) that is supporting the development of the first ambitious, effective, and legally binding United Nations treaty to end plastic pollution. As a member, Greenbank will continue to feed into ongoing consultations. In addition, Greenbank has also become a member of a collaborative engagement group coordinated by the Dutch Association of Investors for Sustainable Development (VBDO). This group focuses on fast-moving consumer goods and grocery retail sectors to bring production and consumption of plastics within the limits of the planetary boundaries and alignment with the Paris Agreement and the Kunming-Montreal Global Biodiversity Framework.

Core expectations of companies

We primarily rely on expectations developed by the Ellen MacArthur Foundation and VBDO for this issue. This includes commitments to circulate products and materials as well as eliminate hazardous chemicals and waste throughout the value chain, commit to a reduction of single-use plastic packaging and publicly support a Global Plastics Treaty, among other issues.

Animal welfare

Purpose

To improve company and policy approaches to farm animal welfare management, performance and disclosure over time.

Overview of project

As a member of the Business Benchmark on Farm Animal Welfare, Greenbank will continue to support letters to 150 food companies assessed as part of its benchmark. Greenbank will also continue to provide feedback on BBFAW's benchmark consultations and support future collaborative policy advocacy opportunities, including continuing to call for European Union legislators to strengthen animal welfare legislation.

Core expectations of companies

Companies will be assessed against the BBFAW benchmark's evolving expectations on improving animal-specific welfare standards in supply chains, policy commitments, targets, disclosure, governance, and reducing reliance on animal sourced foods.



References

Access to Medicine Foundation	accessmedicinefoundation.org	Living Wage Foundation	https://www.livingwage.org.uk/
Business Benchmark on Farm Animal Welfare (BBFAW)	bbfaw.com	Nature Action 100 (NA100)	natureaction100.org
Business Coalition for a Global Plastics Treaty	businessforplasticstreaty.org	Net Zero Investment Framework	parisalignedassetowners.org/media/2021/10/Net_Zero_Investment_Framework_final.pdf
CCLA Modern Slavery Benchmark	ccla.co.uk/documents/ccla-modern-slavery-uk-benchmark-2023/download?inline=climateaction100.org	Principles for Responsible Investment (PRI)	unpri.org
Climate Action 100+	climateaction100.org	Science-based Targets Network	sciencebasedtargetsnetwork.org
Dutch Association of Investors for Sustainable Development	vbdo.nl/en	ShareAction	shareaction.org
Ellen MacArthur Foundation	ellenmacarthurfoundation.org	Taskforce on Nature-related Financial Disclosures (TNFD)	tnfd.global
ENCORE	encorenature.org/en	United Nations Guiding Principles on Business and Human Rights	ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf
Finance for Biodiversity	financeforbiodiversity.org	World Benchmarking Alliance	worldbenchmarkingalliance.org
Financing a Just Transition Alliance	lse.ac.uk/granthaminstitute/financing-a-just-transition		
Food Data Transparency Partnership	www.gov.uk/government/groups/food-data-transparency-partnership		
Global Canopy — Finance Sector Roadmap	guidance.globalcanopy.org/roadmap		
Green Finance Institute — UK Financial Institutions Nature Group	greenfinanceinstitute.com		
Institutional Investors' Group on Climate Change (IIGCC)	iigcc.org		
International Bill of Human Rights	ohchr.org/en/what-are-human-rights/international-bill-human-rights		
International Labour Organization's Declaration on Fundamental Principles and Rights at Work	ilo.org/topics-and-sectors/fundamental-principles-and-rights-work		
Investor Alliance on Human Rights	investorsforhumanrights.org		
Investor Coalition on Food Policy	foodfoundation.org.uk/initiatives/investor-coalition-food-policy		

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