

## Implementation Statement

### Timsons Retirement Benefit Scheme

This Implementation Statement has been prepared by the Trustees of the Timsons Retirement Benefit Scheme (the "Trustees" and the "Scheme" respectively) and sets out:

- How the Trustees' policies on exercising rights (including voting rights) and engagement policies have been followed over the period from 31 March 2020 to 31 March 2021.
- The voting behaviour of the Trustees, or that undertaken on their behalf, over the period from 31 March 2020 to 31 March 2021.

Note that the Scheme year-end for the purposes of accounting is 30 April. However, given data from the managers is only obtained on a quarterly basis, the information in this statement covers the period to 31 March.

#### How voting and engagement policies have been followed

Other than a direct investment into fixed interest gilts (which was redeemed over the year and which does not carry voting rights in any case), the Scheme invests entirely in pooled funds. As such, the Trustees delegate responsibility for carrying out voting and engagement activities to the Scheme's fund managers. The Trustees have taken into consideration the Financial Reporting Council's UK Stewardship Code. However, the Trustees cannot usually directly influence the managers' policies on the exercise of investment rights where the Trustees hold assets in pooled funds. This is due to the nature of these investments. The Trustees receive reporting on the voting and engagement policies of the fund managers and considers these as part of manager appointment and review processes.

The Trustees believe that ESG factors are financially material – that is, they have the potential to impact the value of the investments from time to time.

The Trustees consider it to be part of their investment managers' roles to assess and monitor how the companies in which they are investing are managing developments in ESG related issues, and in particular climate risk, across the relevant parts of the capital structure for each of the companies in which the managers invest on behalf of the Scheme.

The Trustees have reviewed the stewardship and engagement activities of their investment managers during the year, alongside preparation of the Implementation Statement.

The Trustees were satisfied that the managers' policies were reasonable and no further remedial action was required during the period. Having reviewed the above in accordance with their policies, the Trustees are comfortable the actions of the fund managers are in alignment with the Scheme's stewardship policies.

#### Data limitations

Where data is not included in this statement, it has been requested from the investment managers but was not provided in a usable format. The Trustees' investment consultants are liaising with managers to improve delivery of the data going forward.

## Voting Data

Voting only applies to funds that hold equities in their portfolio. The Scheme's equity investments are all held through pooled funds and as such the investment managers for these funds vote on behalf of the Trustees.

The Scheme's equity investments are managed by Aberdeen Standard Investments ("ASI"). The Scheme invests in a Liability Driven Investment ("LDI") portfolio with Legal & General Investment Management ("LGIM") which does not hold any voting rights by the nature of the asset class.

The table below provides a summary of the voting activity undertaken by the managers over the year to 31 March 2021. The Scheme disinvested from the Scottish Widows Managed Fund in late 2020. Data was requested from Scottish Widows but was not provided for the period over which the Scheme was invested.

Manager	ASI		Scottish Widows
<b>Fund name</b>	Diversified Growth Fund	Multi-Asset Fund	Managed Fund
<b>Structure</b>	Pooled	Pooled	Pooled
<b>Ability to influence voting behaviour of manager</b>	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.		
<b>Number of company meetings the manager was eligible to vote at over the year</b>	403	1,239	This information was not provided.
<b>Number of resolutions the manager was eligible to vote on over the year</b>	4,959	16,264	This information was not provided.
<b>% of resolutions the manager voted on</b>	98.2%	98.4%	This information was not provided.
<b>% of resolutions the manager abstained from</b>	1.7%	0.8%	This information was not provided.
<b>% of resolutions voted with management</b>	87.1%	92.3%	This information was not provided.
<b>% of resolutions voted against management</b>	12.9%	7.7%	This information was not provided.
<b>% of resolutions voted contrary to the recommendation of the proxy advisor</b>	This information was not provided.	This information was not provided.	This information was not provided.

Some voting percentages quoted above may not sum to 100%. Managers assure us that this is due to classifications of votes and abstentions both internally and across different jurisdictions.

## Significant votes

For the first year of implementation statements we have delegated to the investment managers to define what a "significant vote" is. A summary of the data they have provided is set out below.

### ASI, Diversified Growth Fund and Multi-Asset Fund

Significant vote data was requested from ASI but was not provided in a usable format this year.

### Scottish Widows, Managed Fund

Significant vote data was requested from Scottish Widows but was not provided for the period over which the Scheme was invested.

## Fund level engagement

The investment managers may engage with their investee companies on behalf of the Trustees. In addition to voting, the Trustees focus on how the investment process and profile of the managers is aligned with the Scheme's ESG policies.

The Scheme also holds an LDI portfolio with LGIM. The scope for engagement here is extremely limited given the nature of the asset class and so no data on this portfolio is included in this statement.

Data was requested from Scottish Widows but was not provided for the period over which the Scheme was invested.

Manager	ASI	Scottish Widows
<b>Fund name</b>	Both ASI funds	Managed Fund
<b>Does the manager perform engagement on behalf of the holdings of the fund</b>	Yes	Yes
<b>Has the manager engaged with companies to influence them in relation to ESG factors in the year?</b>	Yes	Yes
<b>Number of engagements undertaken on behalf of the holdings in this fund in the year</b>	This information was not provided.	This information was not provided.
<b>Number of engagements undertaken at a firm level in the year</b>	2,271	This information was not provided.
<b>Examples of engagements undertaken with holdings in the fund</b>	<b>Deliveroo:</b> engaged to improve labour practices <b>HSBC:</b> engaged on climate change <b>Lundin:</b> engaged on remuneration	This information was not provided.