

Implementation Statement – Ernest Doe & Sons Limited Pension Fund

May 2022

As applies to the Ernest Doe & Sons Limited Pension Fund's Statement of Investment Principles ('SIP' signed 30 September 2020).

1) Stewardship Policy and Implementation, with regard to item 10 of the SIP:

- During the period voting and engagement decisions were delegated to the Fiduciary Manager (Charles Stanley). Charles Stanley's policy on voting and engagement is as follows *"We believe voting is an effective method of engagement. We use the services of proxy voting service provider Institutional Shareholder Services (ISS) to advise us on corporate governance issues and provide voting recommendations on our top 100 holdings of equity and fund securities. The advice of our proxy voting service provider is based on the UK Corporate Governance Code and its own set of voting principles built on a collection of industry best practice guidelines, which are designed to protect and enhance shareholders' interests. ISS has a long-standing relationship with many of the UK-listed issuers within its coverage universe and regularly engages with the senior management teams of such issuers. With in-depth knowledge of the UK Corporate Governance Code and a long history of corporate engagement, we believe the provision of voting advice from our proxy service provider enhances our engagement with investee companies. However, we are not bound to follow the advice of ISS and retain the ultimate say on which way to vote on each item raised at general and extraordinary shareholders meetings, based on what we believe is in the best interests of our clients. Where we believe it would assist shareholder interests, we may inform the company in advance of our voting intentions. We do not engage in securities lending with client holdings."*
- During the period the following voting activity was carried out on direct equity holdings
 - Direct equity holdings: HICL.LN, INPP.LN, UKWG.LN and TRIG.LN (Investment Trusts)
 - Relevant Corporate Actions: none
 - Relevant voting activity during period:
 - The Renewables Infrastructure Group (TRIG) – FOR ALL RESOLUTIONS (ISS guidance)
 - Greencoat UK Wind (UKWG) – FOR ALL RESOLUTIONS (ISS guidance)
 - HICL – FOR ALL RESOLUTIONS (ISS guidance)
 - International Public Partnerships Ltd (INPP) – FOR ALL RESOLUTIONS (ISS guidance)
- During the period the following voting activity was carried out on fund holdings:
 - Fund and ETF holdings: 23
 - Relevant voting activity during period: N/A
- During the period the following engagement activity was carried out on fund holdings:
 - Direct engagement with underlying companies: none
- Other engagement and voting activity during the period: Through its underlying fund managers the scheme is exposed to ~6,000 underlying companies. Pro-active engagement and voting activity was carried out by the scheme's underlying fund managers as part of their routine

management of funds. Stewardship reports from these fund managers were provided to the trustees. Fund managers include:

- BlackRock (ishares)
- Vanguard
- Legal & General
- State Street Global Advisers (SSGA)
- DWS
- Lyxor Asset Management
- Baillie Gifford & Co Ltd

2) Routine monitoring of investments, performance and Flight-Plan. With regard to items 6, 7 & 12 of the SIP

- In-depth reviews were carried out during the Trustee meeting on 21 January 2022 of the following investment issues based on information provided by Charles Stanley:
 - Performance of Flight-Plan compared with expectations
 - Current and historic risk compared with set Risk Budget
 - Performance of investments over recent time period versus expectations
 - Performance of Growth portfolio vs market index and expectations
 - Performance of Liability matching portfolio vs liability hedge target
 - Performance of sectors and asset classes
- Monitoring was carried out each month based on dashboard information provided by Charles Stanley:
 - Performance of Flight-Plan compared with expectations
 - Current status of Flight-Plan, including Risk Budget
 - Recent performance of overall investment portfolio versus market indices

3) Routine monitoring of Environmental, Social, Governance (ESG) and Climate Change risks, with regard to item 9 of the SIP:

- Exposure to ESG (including Climate Change) risk was monitored based on dashboard reports provided by Charles Stanley at Trustee meeting on 21 January 2022. Any additional ESG and Climate Change activity as pertains to the overall asset allocation of the portfolio or individual funds or securities held was reported to the trustees at these meetings.

4) Routine monitoring of investment costs, with regard to item 11 of the SIP:

- Expected underlying portfolio costs (OCF+ methodology) and direct fiduciary fees were monitored at Trustee meeting on 21 January 2022
- Actual overall historic fees and costs were reviewed in January 2022 (as part of year end Quarterly Reports provided by Charles Stanley)
- Actual detailed historic fees and costs (line by line for each holding) were reviewed at Trustee meeting on 21 January 2022 based on information provided by Charles Stanley

5) Investment Objectives and Value for Money, with regard to item 11 of the SIP:

- Charles Stanley was reviewed against 23 agreed objectives covering “Strategic Investment Advice and Modelling”, “Ongoing Investment Management” and “Client Support, Service and Reporting” at the Trustee meeting on 21 January 2022

Signed on behalf of the Trustees of Ernest Doe & Sons Limited Pension Fund:

Trustee David Newman Date...20 July 2022...

Trustee Richard Polley Date...20 July 2022...