

A T Mays Limited Pension and Life Assurance Scheme

Report for the year ended 30 September 2021

Trustee's Report

Implementation statement

AT Mays Limited Pension and Life Assurance Scheme - Final salary section

Purpose of this statement

This implementation statement has been produced by the trustee of the AT Mays Limited Pension and Life Assurance Scheme ("the Scheme") to set out the following information over the year to 30 September 2021.

- the voting activity undertaken by the Scheme's investment managers on behalf of the trustee over the year, including information regarding the most significant votes; and
- how the trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year.

Trustee policies on voting and engagement

The trustee's Statement of Investment Principles (SIP) in force at September 2021 describes the trustee's policy on the exercise of rights (including voting rights) and engagement activities as follows:

"The trustee's policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the fund manager. The trustee also expects the manager to engage with companies in relation to ESG matters. The trustee is comfortable with the fund manager's strategies and processes for exercising rights and conducting engagement activities, and specifically that they attempt to maximise shareholder value as a long-term investor."

The trustee's SIP was last reviewed in September 2020 to comply with regulations that came into force on 1 October 2020.

The SIP has been made available online here: <https://www.opentrustees.com/wp-content/uploads/sites/14/2020/10/AT-Mays-Limited-Pension-and-Life-Assurance-Scheme-Statement-of-Investment-Principles-dated-30-September-2020-.pdf>

How voting and engagement policies have been followed

The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out any voting and engagement activities to the Scheme's fund managers.

Voting activities only applies to equities held by a scheme. During the year under review the Scheme was briefly invested in three other funds with equity holdings. It was felt the voting and engagement policies for the short time period concerned were unlikely to have material financial implications and have not been reported as a result. As such, since the Scheme does not currently hold any equity investments the trustee has not reported on any voting activities.

The trustee has reviewed the stewardship and engagement activities of the current managers during the year and were satisfied that their policies were reasonable and no remedial action was required during the year.

Each year the trustee receives and reviews engagement policies from the asset managers, which they review to ensure alignment with their own policies.

Having reviewed the above in accordance with their policies, the trustee is comfortable the actions of the fund manager is in alignment with the Scheme's stewardship policies.

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Fund level engagement

The investment manager may engage with its investee companies on behalf of the trustee. The funds invested by the Scheme have very limited scope to engage with its investees due to the nature of the fund (cash and short duration), hence the engagement data at a fund level is not provided.

The table below provides a summary of the engagement activity undertaken by BlackRock during the year, which has been provided at a firm level. Please note that BlackRock was only able to provide voting data for the period 1 January 2021 to 30 September 2021.

Manager	BlackRock Asset Management
Fund name	Buy and Maintain Credit Fund Liability Matching Funds ICS GBP Liquidity Premier Shares
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes
Number of engagements undertaken at a firm level in the year	2,689
Examples of engagements undertaken at a firm level	Topics include: Climate Change Corporate governance Business Ethics

Source: BlackRock Asset Management Limited

Summary

Based on the information received, the trustee believes that the investment manager has acted in accordance with the Scheme's stewardship policies.

The trustee and its investment consultant are working with the investment manager to provide additional information in the future in order to enhance their ability to assess the investment manager's actions.

Prepared by Open Trustees Limited, trustee of A T Mays Limited Pension and Life Assurance Scheme

December 2021

A T Mays Limited Pension and Life Assurance Scheme

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Implementation statement - continued

AT Mays Limited Pension and Life Assurance Scheme - money purchase section

Scheme year ended 30 September 2021

This implementation statement has been produced by the trustee of the AT Mays Limited Pension and Life Assurance Scheme – money purchase section ("the Scheme") to set out the following information over the year to 30 September 2021:

- the voting activity undertaken by the Scheme's investment managers on behalf of the trustee over the year, including information regarding the most significant votes; and
- how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year.
- A summary of any changes to the Statement of Investment Principles (SIP) over the period;
- A description of how the trustee's policies, included in their SIP, have been followed over the year.

Trustee policies on voting and engagement

The trustee's Statement of Investment Principles (SIP) in force at September 2021 describes the trustee's policy on the exercise of rights (including voting rights) and engagement activities as follows:

"Trustee's policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the fund manager. The trustee also expects the manager to engage with companies in relation to ESG matters. The Trustee is comfortable with the fund manager's strategies and processes for exercising rights and conducting engagement activities, and specifically that they attempt to maximise shareholder value as a long-term investor."

The trustee's SIP was last reviewed in September 2020 to comply with regulations that came into force on 1 October 2020.

The SIP has been made available online here: <https://www.opentrustees.com/wp-content/uploads/sites/14/2020/10/AT-Mays-Limited-Pension-and-Life-Assurance-Scheme-Statement-of-Investment-Principles-dated-30-September-2020-.pdf>

How voting and engagement policies have been followed

The trustee invests entirely in pooled funds, and therefore delegates responsibility for carrying out voting and engagement activities to the Scheme's fund manager.

The trustee has reviewed the stewardship and engagement activities of the current manager during the year and were satisfied that their policies were reasonable and no remedial action was required during the year.

Each year the trustee receives and review voting information and engagement policies from the asset manager, which they review to ensure alignment with their own policies.

Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the fund manager are in alignment with the Scheme's stewardship policies.

Voting undertaken on behalf of the Trustee

Voting only applies to equities held within the strategy. The Scheme's equity investments are held through a pooled discretionary fund managed by M&G Investment Management Limited (M&G). The investment manager votes on behalf of the trustee.

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The table below provides a summary of the voting activity undertaken by M&G during the year.

Manager	M&G
Fund name	Discretionary Fund
Structure	Pooled
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the trustee to influence the manager's voting behaviour.
Number of company meetings the manager was eligible to vote at over the year	1,631
Number of resolutions the manager was eligible to vote on over the year	20,569
Percentage of resolutions the manager voted on	93.1%
Percentage of resolutions the manager abstained from	0.7%
Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	93.2%
Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	6.8%
Percentage of resolutions voted <i>contrary</i> to the recommendation of the proxy advisor	5.1%

Source: M&G Investment Management Limited

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the trustee over the year to be set out. The guidance does not currently define what constitutes a "significant" vote, so for this Implementation Statement the trustee has asked the investment managers to determine what they believe to be a "significant vote". M&G have provided a selection of 10 votes which they believe to be significant, and in the interest of concise reporting the tables below show 3 of these votes for the specific fund.

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M&G Discretionary Fund

	Vote 1	Vote 2	Vote 3
Company name	Shinhan Financial Group Co., Ltd.	Royal Dutch Shell Plc	HORNBACH Holding AG & Co.
Date of vote	23/03/2021	18/05/2021	08/07/2021
Summary of the resolution	Elect Directors	Request Shell to Set and Publish Targets for Greenhouse Gas (GHG) Emissions	Approve Creation of EUR 9.6 Million Pool of Capital without Pre-emptive Rights
How the manager voted	Against	Against (in line with management)	For
Did the manager communicate their intent to the company ahead of the vote?	No	Yes	No
Rationale for the voting decision	Opposed several directors over CEO retaining board seat despite hiring malpractice. Also fraud uncovered at subsidiary.	Do not think beneficial for the company. Company has targets in place and need to see if these are enough	Disapplication of pre-emption rights exceeds 10% but after discussions with the company and promised announcement by the company to restrict issuance to no more than 10% M&G decided to support the proposal.
Outcome of the vote	Pass	Fail	Pass
Criteria on which the vote is considered "significant"	Shareholder rights and Governance	Environmental and social	Shareholder rights and Governance

Source: M&G Investment Management Limited

Fund level engagement

The investment manager may engage with their investee companies on behalf of the trustee. The table below provides a summary of the engagement activity undertaken by managers during the year.

Manager	M&G
Fund name	Discretionary Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	n/a*
Examples of engagements undertaken with holdings in the fund	Topics: Climate Change Anti-microbial resistance Remuneration of board members

Source: M&G Investment Management Limited

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*M&G were unable to provide this information. This is due to the M&G Discretionary being a fund of funds, some of which are externally managed.

The M&G Cash Fund has very limited scope to engage with its investees due to the nature of the fund (short duration), hence the engagement data is not provided.

How the SIP has been followed over the year

In the trustee's opinion, the Statement of Investment Principles has been followed over the year in the following ways:

- The Scheme offers suitable investment options that are likely to be suitable for a typical member of the money purchase section.
- The trustee monitors the performance of the manager funds to ensure that the funds are meeting their stated objectives
- The trustee has made no new manager appointments over the year.

Summary

Based on the information received, the trustee believe that the investment manager has acted in accordance with the Scheme's stewardship policies. The trustee is supportive of the key voting action taken by the applicable fund manager over the year to encourage positive governance changes in the companies in which the manager hold shares.

The trustee and their investment consultant are working with the investment managers to provide additional information in the future, including where indicated above, in order to enhance their ability to assess the investment manager's actions.

**Prepared by Open Trustees Limited, trustee of A T Mays Limited Pension and Life Assurance Scheme
December 2021**