

Berendsen UK (DB) Retirement Benefits Scheme

Implementation Statement for the year ended 31 January 2025

This is the Implementation Statement prepared by the Trustee of the Berendsen UK (DB) Retirement Benefits Scheme ("the Scheme") and sets out:

- How the Trustee's policies on exercising rights (including voting rights) and engagement have been followed over the year to 31 January 2025.
- The voting behaviour of the Trustee, or that undertaken on their behalf, over the year to 31 January 2025.

Stewardship policy

At this time, the Trustee has not set stewardship priorities / themes for the Scheme given ongoing strategy evolution discussions but will be considering the extent that they wish to do this in due course, in line with other Scheme risks.

The Statement of Investment Principles ("SIP") currently in force describes the Trustee's policy on the exercise of rights (including voting rights) and engagement activities. The Trustee's SIP was reviewed in February 2024 to comply with regulations that came into force on 1 October 2020. The SIP has been made available online at:

<https://schemedocs.com/berendsenretirementbenefitsscheme>

How voting and engagement policies have been followed

The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers. The Trustee expects that the investment managers will use their influence as major institutional investors to exercise the Trustee's rights and duties as shareholders, including, where appropriate, engaging with underlying investee companies to promote good corporate governance and accountability and to understand how those companies take account of ESG issues in their businesses. The Trustee will monitor and engage with the investment managers about relevant matters through the Scheme's investment advisors.

The Trustee undertook its annual review of the stewardship and engagement activities of the current managers at their 25 June 2024 Trustee's meeting and were satisfied that their policies were reasonable and have no concerns that activities undertaken have not been in the members' best interests, and no remedial action was required at that time.

Annually, the Trustee receives voting information and engagement policies from both the asset managers and their investment advisors, which the Trustee reviews to ensure alignment with their own policies. The Trustee aims to align its advisor's ESG reporting with the Scheme year end.

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

The Trustee sets out below the voting and engagement activity of their investment managers during the year.

Adopted by the Trustee in April 2025

Voting Data

Voting only applies to equities held in the portfolio. The Scheme's equity investments are held through pooled funds, and as such the investment managers of these funds vote on behalf of the Trustee.

Over the year to 31 January 2025, the Scheme's equity investments were managed by BlackRock Investment Management (UK) Ltd ("BlackRock") and Ruffer LLP ("Ruffer"). The table below provides a summary of the voting activity undertaken by each manager during the year to 31 December 2024. The managers have only been able to provide data in line with calendar quarters at this time, so this does not fully reflect the Scheme year.

Manager	BlackRock	Ruffer
Fund name	ACS World ESG Equity Tracker Fund ("ESG Equity")	Absolute Return Fund ("ARF")
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.	
No. of eligible meetings	425	61
No. of eligible votes	6,681	1,037
% of resolutions voted	92%	100%
% of resolutions abstained¹	0%	0%
% of resolutions voted <i>with</i> management¹	97%	97%
% of resolutions voted <i>against</i> management¹	2%	3%
% of resolutions voted against proxy voter recommendation	0%	4%

¹ As a percentage of the total number of resolutions voted on

Some voting percentages quoted above may not sum to 100%. The managers have assured us that this is due to classifications of votes and abstentions both internally and across different jurisdictions, as well as rounding.

There are no voting rights attached to the other assets held by the Scheme and therefore there is no voting information shown above for these assets.

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. However, recent guidance states that a significant vote is likely to be one that is linked to one or more of a scheme’s stewardship priorities / themes. At this time, the Trustee has not set stewardship priorities for the Scheme but will be considering the extent that they wish to do this in due course, in line with other Scheme risks.

For this Implementation Statement, we have delegated to the investment managers to define what they believe to be a “significant vote”. A summary of the data they have provided is set out below. In March 2022, the Trustee communicated their voting preferences to BlackRock for the ACS World ESG Equity Tracker Fund via their voting choice process and put in place a proxy voting policy, ISS Sustainability Policy. This policy focuses on greater ESG disclosure and supportive of policies and practices that are consistent with internationally accepted norms. The Trustee are yet to develop a specific voting policy for the diversified growth funds. In future, the Trustee will consider the most significant votes in conjunction with any agreed stewardship priorities.

Ruffer have provided a selection of 7 votes which they believe to be significant. In the absence of agreed stewardship priorities / themes, the Trustee has selected 5 votes from the manager, that cover a range of themes to represent what it considers the most significant votes cast on behalf of the Scheme. To represent the most significant votes, the votes of the largest holdings relating to each topic are shown below.

BlackRock have provided a selection of votes for the fund which they believe to be significant. In the absence of agreed stewardship priorities / themes and approximate size of holdings from the manager, the Trustee has selected what they believe to be the most significant 5 votes for each fund, where “most significant” has been taken to be votes which have the most data and commentary provided and cover a breadth of themes.

The significant votes for each fund have been included in the Appendix.

Fund level engagement

Manager	BlackRock	Ruffer	Janus Henderson	Insight
Fund name	ACS World ESG Equity Tracker Fund	Absolute Return Fund	Multi Asset Credit Fund	High Grade ABS Fund Liquid ABS Fund MBAM 2021-2025 Fund MBAM 2026-2030 Fund
Number of engagements undertaken on behalf of the holdings in this fund in the year	569	42	56	HG ABS: c. 40 Liq ABS: c. 40 MBAM 21-25: 39 MBAM 26-30: 97
Number of engagements undertaken at a firm level in the year	3,384	54	716	1,922

Engagement examples

Manager	Company	Engagement
BlackRock	Not provided	Key engagement topics included board composition and effectiveness, community relations, biodiversity, and climate risk management.
Ruffer*	Coty	Ruffer engaged with the company to discuss compensation and board director re-elections; in particular given one director's poor attendance at board meetings. On remuneration, contrary to best practice, Coty's board had awarded total pay in shares rather than follow a more standard annual bonus plus long-term incentive plan model. Ruffer agreed it was best for the company to drop short-term incentives in favour of resetting the business for the long-term. On board attendance, the company assured Ruffer that the poor attendance of one board member was due to hastily arranged special meetings that conflicted with the director's diary. Briefings were provided before meetings and her thoughts shared with wider board/committee. Ruffer will continue to engage with the company on a variety of topics.
Janus Henderson	Glencore	Janus Henderson engaged with the company on a range of sustainability concerns particularly corporate culture, environmental litigation risks and energy transition commitments. Given the nature of the coal and mining business, management of methane emissions was of particular interest, given increased regulations in this space. Off the back of this engagement, a research note was circulated to all shareholders who hold the stock and one manager divested their shares from Glencore due to concerns over lack of progress made towards sustainability goals. Henderson will continue to engage with the company to encourage better management of GHG emissions.
Insight*	Morgan Stanley	Insight engaged with the company around natural resource use and climate change. Morgan Stanley provided responses to Insight's Counterparty Sustainability Assessment Questionnaire and they have used their responses to conduct benchmarking of their 25 largest banking counterparties to understand how ESG risks are managed by the organisation. The company did not perform well in the questionnaire due to weak policies and disclosures (particularly relating to Deforestation Regulation) which Insight fed back and was well received. Insight will continue to engage with the company in the future.

*Ruffer and Insight engagement examples are at a firm level as fund level engagements were not available.

Appendix – Significant votes data

The tables below set out the significant voting data for each of the Scheme's investment managers.

BlackRock, ACS World ESG Equity Tracker Fund

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
Company name	The Walt Disney Company	Berkshire Hathaway Inc.	Shell Plc	Chevron Corporation	Tesla, Inc.
Date of vote	3 April 2024	4 May 2024	21 May 2024	29 May 2024	13 June 2024
Approximate size of fund's holding as at the date of the vote (as % of portfolio)			Not provided		
Summary of the resolution(s)	Advisory vote on board size and related vacancies	Disclose BHE's emissions and progress towards goal in consolidated report	Advise Shell to Align its Medium-Term Emissions Reduction Targets Covering the Greenhouse Gas (GHG) Emissions of the Use of its Energy Products (Scope 3) with the Goal of the Paris Climate Agreement	Report on reduced plastics demand impact on financial assumptions	Declassify the board of directors
How the manager voted	Against	For	Against	Against	For
Rationale for the voting decision	As they have no concern about the functioning of the board or its size, BlackRock do not support a proposal to suggest any modifications to the existing structure.	Additional information regarding the company's plan to manage their strategy in the context of a transition to a low-carbon economy will help investors assess long-term risks and opportunities on this economically material issue.	BlackRock believe the request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company.	BlackRock believe the company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures.	BlackRock believe directors should be elected annually to discourage entrenchment and allow shareholders sufficient opportunity to exercise their oversight of the board.
Outcome of the vote	Fail	Fail	Fail	Fail	Pass
Implications of the outcome	BlackRock's approach to corporate governance and stewardship is explained in their Global Principles. Their Global Principles describe their philosophy on stewardship, including how they monitor and engage with companies. These high-level principles are the framework for their more detailed, market-specific voting guidelines. BlackRock do not see engagement as one conversation. They have ongoing direct dialogue with companies to explain their views and how they evaluate the companies' actions on relevant ESG issues over time. Where BlackRock have concerns that are				

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
	not addressed by these conversations, they may vote against management for their action or inaction. Where concerns are raised either through voting or during engagement, BlackRock monitor developments and assess whether the company has addressed their concerns.				
Criteria on which the vote is considered "significant"	BlackRock Investment Stewardship (BIS) periodically publishes Vote Bulletins on key votes at shareholder meetings to provide insight into details on certain vote decisions they expect will be of particular interest to clients. Their vote bulletins can be found here: https://www.blackrock.com/corporate/about-us/investment-stewardship#vote-bulletins				

Ruffer, Absolute Return Fund

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
Company name	Banco Santander SA	Bank of America	Amazon.com, Inc.	Amazon.com, Inc.	ExxonMobil
Date of vote	21 March 2024	24 April 2024	22 May 2024	22 May 2024	29 May 2024
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.2%	0.2%	0.6%	0.6%	0.2%
Summary of the resolution	Governance and remuneration	Energy Transition	Human labour rights	GHG emissions	Diversity, Equity & Inclusion (DEI)
How the manager voted	For	Against	For	For	For
Rationale for the voting decision	Santander proposed a 5% pay increase for its CEO and Executive Chair. Despite ISS's opposition, Ruffer supported the policy, as the increase is modest and aligns with industry peers. While ISS raised pay-for-performance concerns, Ruffer find the policy reasonable and not significant enough to withdraw their support.	At the 2024 AGM, Ruffer voted against ISS's recommendation and with management on a proposal for a clean energy supply financing ratio report. Ruffer believe Bank of America is committed to its Net Zero targets and already provides key data.	Ruffer supported a shareholder resolution requesting an independent report on Amazon's customer due diligence process for products with surveillance, computer vision, or cloud storage capabilities. Ruffer believe this assessment could identify potential risks and help protect Amazon from future reputational damage.	Ruffer supported a shareholder proposal for full disclosure of Amazon's material Scope 3 GHG emissions. Unlike peers (e.g. Walmart and Target), Amazon only reports emissions for its own-brand products. Ruffer believe broader disclosure is essential for setting meaningful carbon reduction targets.	Ruffer supported a shareholder resolution requesting a report on median gender and racial pay gaps. Publishing unadjusted pay gap data enhances accountability for diversity, equity, and inclusion while providing valuable insights for shareholders. As this reporting is best practice and a regulatory requirement in the UK, Ruffer voted in favour of the proposal.

Outcome of the vote	Pass	Fail	Fail	Fail	Fail
Implications of the outcome	Ruffer will monitor overperformance over time to ensure the remuneration policy is appropriate.	Ruffer will continue to monitor the company.	Ruffer will continue to monitor the company and may seek to engage if no progress is seen.	Ruffer will continue to monitor the company and may seek to engage if no progress is seen.	Ruffer will continue to monitor the company and may seek to engage if no progress is seen.
Criteria on which the vote is considered "significant"	Ruffer defines significant vote as: any vote against management or against an ISS recommendation, any vote in breach of criteria included in Ruffer's internal voting guidelines, any shareholder resolution, any climate related resolution, any management-proposed climate-related resolution or dissident shareholder slate (US only).				