STATEMENT OF INVESTMENT PRINCIPLES

for the

DOLLOND & AITCHISON PENSION AND LIFE ASSURANCE SCHEME

December 2024

1. Introduction

1.1. What is the purpose of this Statement of Investment Principles?

This Statement of Investment Principles ("SIP") sets out the policy of Dollond and Aitchison Pension Trustees Limited (the "Trustee") on various matters governing decisions about the investments of the Dollond & Aitchison Pension and Life Assurance Scheme ("the Scheme").

This SIP is reviewed annually or after any significant changes in investment policy and/or regulation. The investment strategy is also reviewed following each Actuarial Valuation and therefore this SIP is also reviewed as part of the process.

1.2. Who has had input to the SIP?

This SIP has been formulated after obtaining and considering written professional advice from Barnett Waddingham LLP, the Scheme's investment adviser, who the Trustee believes to be suitably qualified and experienced to provide such advice.

Barnett Waddingham LLP is authorised and regulated by the Financial Conduct Authority.

The advice takes into account the suitability of investments, the need for diversification, given the circumstances of the Scheme and the principles contained in this SIP.

The employer, European Vision Limited, was consulted on the SIP.

The managers are required to carry out their investment responsibilities in a manner consistent with this SIP.

1.3. What is the legal and statutory background to the SIP?

The SIP is designed to meet the requirements of:

- Section 35 of the Pensions Act 1995, as amended by the Pensions Act 2004 ("the Acts");
- the Occupational Pension Schemes (Investment) Regulations 2005 as amended by the Occupational Pension Schemes (Investment) (Amendment) Regulations 2010, the Occupational Pension Schemes (Investment) (Amendment) Regulations 2018, and the Occupational Pension Schemes (Investment) (Amendment) Regulations 2019, collectively ("the Regulations").

The Scheme's assets are held in trust by the Trustee. The investment powers of the Trustee are set out in the Scheme's Trust Deed and Rules.

The SIP also reflects the Trustee's response to the Myners voluntary code of investment principles.

2. What are the Trustee's overall investment objectives?

The Trustee's objectives are that:

- the Scheme should be able to meet benefit payments as they fall due; and
- the Scheme's funding position (i.e. the value of its assets relative to the assessed value of its liabilities) should remain at an appropriate level.

The Trustee is aware that there are various measures of funding, and have given due weight to those considered most relevant to the Scheme.

3. What risks does the Trustee consider and how are these measured and managed?

When deciding how to invest the Scheme's assets, the Trustee considers a wide range of risks, including, but not limited to, those set out in Appendix A. Some of these risks are more quantifiable than others, but the Trustee has tried to allow for the relative importance and magnitude of each risk.

4. Appointment of investment managers

4.1. What formal agreements are there with investment managers?

The terms and conditions governing the Scheme's investments with each of its managers, including the need for suitable and appropriately diversified investments, are set out in formal signed documents, which were reviewed by the Scheme's advisors.

4.2. What do the investment managers do?

The investment managers' primary role is the day-to-day investment management of the Scheme's investments. The managers are authorised under the Financial Services and Markets Act 2000 to carry out such activities and they are authorised and regulated by the Financial Conduct Authority.

5. Other matters

5.1. What is the Trustee's policy on the realisation of investments?

The investment managers have discretion over the timing of realisation of investments of the Scheme and in considerations relating to the liquidity of investments. When appropriate, the Trustee, with advice from its actuarial and investment advisers, decides on the amount of cash required for benefit payments and other outgoings and informs the investment managers of any liquidity requirements.

5.2. What are the responsibilities of the various parties in connection with the Scheme's investments?

Appendix B contains brief details of the respective responsibilities of the Trustee, the investment advisers, the actuarial advisers, and the investment managers. Appendix B also contains a description of the basis of remuneration of the advisers and investment managers.

5.3. Does the Trustee make any investment selection decisions of its own?

Before making any investment selection decision (e.g. an AVC policy) of its own, it is the Trustee's policy to obtain written advice. The written advice considers the suitability of the investment, the need for diversification and the principles contained in this SIP. It is also the Trustee's policy to review its own investment selection decisions on a regular basis, based on written advice.

5.4 Does the Trustee have a policy on Environment, Social and Governance (ESG) factors and stewardship?

Appendix C sets out the Trustee's policy on Environment, Social and Governance (ESG) factors and stewardship

6. Review

The Trustee will, from time to time, review the appropriateness of this SIP with the help of its advisers, and will amend the SIP as appropriate. These reviews will take place as soon as is practical after any significant change in investment policy and/or change in regulation, or at least annually.

For and on behalf of
Dollond and Aitchison Pension Trustees Limited

Date

A.1. The Trustee's policy towards risk, risk measurement and risk management

The Trustee considers that there are a number of different types of investment risk that are important for the Scheme. These include, but are not limited to:

- **Strategic risk** – this is the risk that the Scheme's assets and liabilities perform differently in different financial and economic conditions. This risk has been taken into account in the Trustee's investment strategy, and will be monitored by the Trustee on a regular basis.

- **Investment manager risk** – this is the risk that the investment managers fail to meet their investment objectives. Prior to appointing the investment managers, the Trustee undertook investment manager selection exercises. The Trustee monitors the investment managers on a regular basis.

- **Lack of diversification risk** – this is the risk that failure of a particular investment, or the general poor performance of a given investment type, could materially adversely affect the Trustee's ability to meet its investment objectives. The Trustee believes that the need for the Scheme's assets to be adequately diversified between different asset classes, and within each asset class, has been met by the strategy and by the guidelines agreed with the investment managers.

- **Liquidity/marketability risk** – this is the risk that the Scheme is unable to realise assets to meet benefit cash flows as they fall due. The Trustee is aware of the Scheme's cash flow requirements and believes that this risk is managed appropriately via the measures described in Section 5.1

- **Environmental, Social and Governance factors –** this is the risk that by not considering these long-term sustainability factors in research, possible investments, with the potential to generate higher returns and mitigate risk over the long term are missed.

The Trustee recognises that there are other, non-investment, risks faced by the Scheme. Examples include mortality risk (the risk that members live, on average, longer than expected) and sponsor risk (the risk, for whatever reason, that the sponsoring employer is unable to support the Scheme as anticipated). The Trustee also has in place processes to consider and monitor these non-investment risks on a regular basis.

Together, the investment and non-investment risks give rise generally to funding risk. This is the risk that the Scheme's funding position falls below what is considered an appropriate level. By understanding and considering each of the risks that contribute to funding risk, the Trustee believes that it has addressed this risk and is positioned to manage this general risk.

B.1. Responsibilities and investment decision-making structure

The Trustee has decided on the following division of responsibilities and decision-making for the Scheme. This division is based upon the Trustee's understanding of the various legal requirements placed upon it, and its view that this division allows for efficient operation of the Scheme overall, with access to an appropriate level of expert advice and service.

B.1.1. Trustee

In broad terms, the Trustee is responsible in respect of investment matters for:

- reviewing the investment policy following the results of each valuation, and / or after any review of investment strategy (eg any asset liability modelling exercise);
- appointing (and, when necessary, dismissing) the investment managers, the actuary and investment consultants;
- monitoring the exercise of the investment powers that they have delegated to the investment managers and monitoring compliance with Section 36 of the Act;
- reviewing the content of this SIP from time to time and modifying it if deemed appropriate; and
- consulting with the employer when reviewing the SIP.

B.1.2. Investment managers

In broad terms, the investment managers will be responsible for:

- managing their respective portfolios, within the guidelines agreed with the Trustee;
- providing the Trustee with regular information concerning the management and performance of their respective portfolios; and
- having regard to the provisions of Section 36 of the Act insofar as it is necessary to do so.

B.1.4. Actuary and investment consultant

In broad terms, the actuary and investment consultant will be responsible, in respect of investment matters, as requested by the Trustee, for:

- advising on how material changes within the Scheme's benefits, membership, and funding position may affect the manner in which the assets should be invested and the asset allocation policy;
- advising on the selection, and review, of the investment managers and custodians; and
- participating with the Trustee in reviews of this SIP.

B.2. Mandates given to advisers and investment managers

The Trustee has in place signed agreements with each of the Scheme's advisers and investment managers. These provide details of the specific arrangements agreed by the Trustee with each party. Copies of these mandates are available for inspection from the Chairman of the Trustee.

The Trustee also has set objectives for Barnett Waddingham in their role as investment consultants, in line with the The Occupational Pension Schemes (Governance and Registration) (Amendment) Regulations 2022, which bring into pensions legislation the requirements of the Investment Consultancy and Fiduciary Management Market Investigation Order 2019.B.3.

Fee structures

The Trustee recognises that the provision of investment management, dealing and custodial services to the Scheme result in a range of charges to be met, directly or indirectly, by deduction from the Scheme's assets. Advisory services to the Scheme are met directly by the Employer.

The Trustee has agreed Terms of Business with the Scheme's actuarial and investment advisers, under which charges are calculated on a "time-cost" basis unless fixed fees have been agreed in advance.

The investment managers receive fees calculated by reference to the market value of assets under management and/or investment performance. The fee rates are believed to be consistent with the manager's general terms for institutional clients and are considered by the Trustee to be reasonable when compared with those of other similar providers.

The fee structure used in each case has been selected with regard to existing custom and practice, and the Trustee's view as to the most appropriate arrangements for the Scheme. However, the Trustee will consider revising any given structure if and when it is considered appropriate to do so.

C.1. Trustee's policy on social, environmental and ethical factors

The Trustee considers that it is necessary in all circumstances to act in the best financial interests of the beneficiaries. However, where this primary consideration is not prejudiced, the Trustee considers how social, environmental and ethical factors should be taken into account in the selection, retention and realisation of investments.

Following guidance from their investment consultant, the Trustee believes that environmental, social and governance (ESG) factors (including but not limited to climate change) could be financially material and therefore have a policy to consider these, alongside other factors, when selecting or reviewing the Scheme's investments.

The Trustee received training from its investment advisor on ESG factors. The Trustee considered the research findings presented at this meeting to form their views on the financial materiality of ESG factors as they apply to the Scheme's current investments.

Based on the research findings and their discussions, the Trustee agrees that these factors have the potential to impact the risk and/or return profile of the Scheme's investments from time to time, however, the Trustee appreciates that this impact will vary between different asset classes.

Given the maturity profile of the Scheme and the objective to fund future member benefits from the Scheme's assets as they fall due, the Trustee has a long time horizon over which it takes into account the financial materiality of ESG factors.

As an investor in pooled funds, the Trustee delegates the consideration of all financially material factors in relation to determining the underlying holdings within the pooled funds, including ESG factors, to the Scheme's investment managers as part of their day-to-day management.

The Trustee takes into account how ESG factors are integrated into the Scheme's managers' fund management processes when appointing, monitoring, engaging with and replacing funds and managers as follows:

- *Appointing funds and managers:*

  When selecting new investments, the Trustee will consider information on ESG integration credentials as part of the proposals. However, an investment manager's excellence in this area will not necessarily take precedence over other factors, including (but not limited to) historical performance or fees.

- *Monitoring and engagement with managers (or alternatively retention of investments):*

  Each of the Scheme's investment managers has its own ESG policy, ESG integration process and ESG resources as part of its wider management processes and capability.

  The Scheme's investment consultant has provided the Trustee with an annual dashboard setting out the ESG integration credentials for the Scheme's current investment managers. The Trustee will continue to monitor and assess these as part of periodic monitoring. From time to time, the Trustee may ask the Scheme's investment managers to attend meetings and provide updates on the funds, which the Trustee may request to include an update on ESG considerations.

  If, as part of this monitoring process or based on any ad hoc updates provided by the investment consultant, any issues specifically related to the ESG factors are identified, the Trustee may request further information from the Scheme's managers and engage with them in relation to these matters either directly or through their investment consultant.

- *Replacing funds and managers (or alternatively realisation of investments):*

  If any significant ESG integration related issues are identified for a fund or a manager, the Trustee may choose to replace them. However, as per the appointment of funds and managers, the investment manager's shortcomings in this area will not necessarily be seen as sufficient reason for replacement and will not necessarily take precedence over consideration of other factors.

The Trustee will also take ESG factors into account as part of determining the strategic asset allocation, where relevant, and consider these factors as part of ongoing reviews of the Scheme's investments.

The Trustee may obtain further training on ESG considerations from its investment consultant to consider any future market developments or if there are any changes to their investments that require reassessment or expansion of the Trustee's current policy on ESG factors.

The Trustee will be reliant on the information presented by the investment manager and their investment advisors regarding the extent to which an investment manager allows for ESG in making their investment decisions. Furthermore, an investment manager's excellence in this area will not take precedence over other factors, including (but not limited to) historical performance, fees, or the other risk factors set out in this Statement.

The Trustee does not take into account the Scheme members' and beneficiaries' views on ethical considerations, social and environmental impact, or present and future quality of life of the members and beneficiaries of the Scheme (i.e., "non-financial matters" in the relevant regulations) in the selection, retention and realisation of investments. The Trustee will review the policy on whether to take account of non-financial matters periodically.

C.2. What is the Trustee's policy on the exercise of investment rights?

The Trustee has examined how rights, including voting rights, attached to investments should be exercised. In doing so, the Trustee has considered the Statement of Principles issued by the Institutional Shareholders' Committee. The Trustee is supportive of the Statement of Principles, and the Trustee has informed the investment managers of its support for the Statement of Principles.

The Trustee believes that good stewardship and positive engagement can lead to improved governance and better risk-adjusted investor returns. The Trustee delegates the exercise of the rights (including voting rights) attaching to the Scheme's investments to the investment managers, who they expect to be signatories to the UK Stewardship Code or equivalent where relevant.

The Trustee also delegates undertaking engagement activities, which include entering into discussions with company management in an attempt to influence behaviour, to the investment managers.

The Trustee will monitor and engage with the investment managers in relation to stewardship activities as follows:

- The Trustee will, with support from the investment consultant, request and review the stewardship policies, voting and engagement activities of the Scheme's investment managers on a periodic basis. In case of any specific issues or questions being identified through this monitoring process, the Trustee will engage with the Scheme's investment managers for more information and discuss any remedial actions taken.

- The Trustee will also ask managers to attend meetings from time to time to present and discuss their stewardship activities, including details of any voting rights exercised.

- When selecting investment managers, where appropriate and applicable, the Trustee will consider the investment managers' policies on stewardship and engagement, and how those policies have been implemented.

However, to the extent that the Scheme's assets are invested in pooled funds, due to the nature of such investments, the Trustee cannot usually directly influence the manager's policies on the exercise of investment rights. The Trustee understands that investment rights will be exercised by the investment managers in line with the investment manager's general policies on corporate governance, which are provided to the Trustee from time to time, taking into account the financial interests of the beneficiaries.

C.3. How does the Trustee monitor the capital structure of their investments and how they manage actual and potential conflicts of interest in relation to their engagement?

The Trustee acknowledges the importance of ESG and climate risk within their investment making framework. When delegating investment decision making to their investment managers they provide their investment managers with a benchmark they expect the investment managers to either follow or outperform. The investment managers may have discretion over where in an investee company's capital structure it invests (subject to the restrictions of the mandate), whether directly, or as an asset within a pooled fund.

The Trustee is firmly of the belief that ESG and climate risk considerations extend over the entirety of a company's corporate structure and activities i.e. that they apply to equity, credit and property instruments or holdings. The Trustee also recognises that ESG and climate related issues are constantly evolving and along with them so too are the products available within the investment management industry to help manage these risks.

The Trustee considers it to be a part of their investment managers' roles to assess and monitor developments in the capital structure for each of the companies in which the manager invests on behalf of the Scheme or as part of the pooled fund in which the Scheme holds units. The Trustee also considers 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. Where the Trustee uses pooled funds the Trustee expects the investment manager to employ the same degree of scrutiny.

Should an investment manager be failing in these respects, this should be captured in the Scheme's periodic performance monitoring.

The Scheme's investment managers are granted full discretion over whether or not to hold the equity, debt or other investment in the Sponsoring Employer's business. Through their consultation with the Sponsoring Employer when setting this Statement of Investment Principles the Trustee has made the Sponsoring Employer aware of their attitude to ESG and climate related risks, how they intend to manage them and the importance that the pensions industry as a whole, and its regulators, place on them.

The Scheme's investment consultants, Barnett Waddingham, are independent and no arm of their business provides asset management services. This, and their FCA Regulated status, makes the Trustee confident that the investment manager recommendations they make are free from conflict of interest.

The Trustee expects all investment managers to have a conflict of interest policy in relation to their engagement and ongoing operations. In doing so the Trustee believes they have managed the potential for conflicts of interest in the appointment of the investment manager and conflicts of interest between the Trustee/investment manager and the investee companies.

C4. How does the Trustee incentivise the asset manager to align its investment strategy and decisions with the trustee's investment policies?

Prior to appointing the investment manager, the Trustee discusses the investment manager's benchmark and approach to the management of ESG and climate related risks with the Scheme's investment consultant, and how they are aligned with the Trustee's own investment aims, beliefs and constraints.

When appointing an investment manager, in addition to considering the investment manager's investment philosophy, process and policies to establish how the manager intends to make the required investment returns, the Trustee also considers how ESG and climate risk are integrated into these.

If the Trustee deems any aspect of these policies to be out of line with their own investment objectives for the part of the portfolio being considered, they will potentially use another manager for the mandate.

The Trustee carries out a strategy review at least every 3 years where they assess the continuing relevance of the strategy in the context of the Scheme and their aims, beliefs and constraints. The Trustee typically monitors the investment managers' approach to ESG and climate related risks on an annual basis.

In the event that the investment manager ceases to meet the Trustee's desired aims, including the management of ESG and climate related risks, using the approach expected of them, their appointment may be terminated. The investment managers have been informed of this by the Trustee.

Investment manager ESG policies are reviewed in the context of best industry practice and feedback can be provided to the investment manager.

C5. How does the Trustee incentivise the asset managers to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term?

The Trustee is mindful that the impact of ESG and climate change may have a long-term nature. However, they are aware that the need to change their current pathway is great. The Trustee recognises that the potential for change in value as a result of ESG and climate risk, may occur over a much shorter term than climate change itself. The Trustee has acknowledged this in their investment management arrangements.

When considering the management of objectives for an investment manager (including ESG and climate risk objectives), and then assessing their effectiveness and performance, the Trustee assesses these over an agreed predetermined rolling timeframe. The Trustee believes the use of rolling timeframes, typically 3 to 5 years, is consistent with ensuring the investment manager makes decisions based on an appropriate time horizon. Where a fund may have an absolute return or shorter term target, this is generally supplementary to a longer term performance target. In the case of assets that are actively managed, the Trustee expects this to be sufficient to ensure an appropriate alignment of interests.

The Trustee expects investment managers to be voting and engaging on behalf of the fund's holdings and the Trustee monitors this activity within the Implementation Statement in the Scheme's Annual Report and Accounts. The Trustee does not expect ESG considerations to be disregarded by the investment manager in an effort to achieve any short term targets.

C6. How the method (and time horizon) of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the trustees' investment policies

The Trustee monitors the performance of their investment managers over medium to long time periods that are predetermined and consistent with the Trustee's investment aims, beliefs and constraints.

The Scheme invests predominantly in pooled funds. The investment managers are remunerated by the Trustee based on the assets they manage on behalf of the Trustee. As the funds grow, due to successful investment by the investment managers, they receive more and as values fall they receive less. In some instances, a performance fee may also be applied.

The Trustee believes that this fee structure, including the balance between any fixed and performance related element, enables the investment managers to focus on long-term performance without worrying about short term dips in performance significantly affecting their revenue.

The Trustee asks the Scheme's Investment Consultant to assess if the asset management fee is in line with the market when the manager is selected, and the appropriateness of the annual management charges are considered every three years as part of the review of the Statement of Investment Principles.

C7. How the Trustee monitors "portfolio turnover costs" incurred by the asset manager, and how they define and monitor targeted portfolio turnover or turnover range

The Trustee acknowledges that portfolio turnover costs can impact on the performance of their investments. Overall performance is assessed as part of the regular investment monitoring process.

During the investment manager appointment process, the Trustee considers both past and anticipated portfolio turnover levels. When underperformance is identified deviations from the expected level of turnover may be investigated with the investment manager concerned if it is felt they may have been a significant contributor to the underperformance. Assessments reflect the market conditions and peer group practices.

The Trustee acknowledges that for some asset classes, such as LDI, a higher turnover of contracts such as repurchase agreements, can be beneficial to the fund from both a risk and cost perspective.

C8. The duration of the arrangement with the asset manager.

For the open-ended pooled funds in which the Scheme invests, there are no predetermined terms of agreement with the investment managers.

The suitability of the Scheme's asset allocation and its ongoing alignment with the Trustee's investment aims, beliefs and constraints is assessed every three years, or when changes deem it appropriate to do so more frequently. As part of this review the ongoing appropriateness of the investment managers, and the specific funds used, is assessed.

For closed ended funds, the Scheme reviews the appointment with the investment manager as the manager releases new iterations of the funds (which the Trustee may consider further investment into) and at, or just prior to, maturity of the closed-ended fund.

Implementation Statement

Dollond & Aitchison Pension and Life Assurance Scheme

Scheme year end 31 March 2024

Purpose of this statement

This implementation statement has been produced by the Trustee of the Dollond & Aitchison Pension and Life Assurance Scheme ("the Scheme") to set out the following information over the year to 31 March 2024:

- How the Trustee's policies on exercising rights (including voting rights) and engagement policies have been followed over the year.

- 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.

Stewardship policy

The Trustee has decided not to set stewardship priorities for the Scheme owing to the Scheme's maturity and its sole investment through pooled investment vehicles where the Scheme's assets only represent a small proportion of the capital invested in the funds. The Trustees understand that they are constrained by the policies of the managers.

Additionally, only a small proportion (less than 20% as at 31 March 2024) of the Scheme's assets are invested in assets with voting rights attached. Therefore, the setting of stewardship priorities will not have a significant effect on how the Trustee governs the Scheme.

However, given the Trustee believes that ESG considerations are financially material, the Trustee takes ESG factors into account at manager selection. The Trustee also reviews the stewardship and engagement activities of the investment managers annually.

How voting and engagement policies have been followed

Based on the information provided by the Scheme's investment managers, the Trustee believes that its policies on voting and engagement have been met in the following ways:

- At the Scheme year-end, the Scheme's investment managers were: Baring Asset Management, Partners Group, Ruffer LLP and Insight Investment. The Trustee considers the performance of the funds held with the investment managers on a regular basis, and any significant developments that arise. Over the Scheme year the Trustee reviewed the ESG, Stewardship and ethical considerations in relation to their investment managers.

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

- The Trustee receives reports on Environmental, Social and Governance ("ESG") considerations, engagement and voting annually from their investment managers, via their investment consultant, and review this annually to ensure alignment with their own policies. The findings of the Trustee review are reported in this Implementation Statement which will also be included in the Scheme's Annual Report & Accounts for the year to 31 March 2024.
- The Trustee believes that the voting and engagement activities undertaken by the investment managers on their behalf have been in the members' best interests.
- Having reviewed the above in accordance with their policies, the Trustee is comfortable that the actions of the Scheme's investment managers are in alignment with the Scheme's ESG, Stewardship policies and have been in the members' best interests.

Voting Data

This section provides a summary of the voting activity undertaken by the investment managers on behalf of the Trustee over the year to **31 March 2024**. There are no voting rights attached to the other funds held by the Scheme, which primarily invest in gilts, bonds, and other debt investments, as these funds do not hold votable assets.

Manager	Partners Group*	Ruffer LLP
Fund name	The Partners Fund	Absolute Return Fund
Structure	Pooled	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.	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour. However, Ruffer have advised that they can accommodate client voting instructions for specific areas of concern.
No. of eligible meetings	56	64
No. of eligible votes	847	1,020
% of resolutions voted	100%	100%
% of resolutions voted with management	92%	94.9%
% of resolutions abstained	3%	2.0%**
% of resolutions voted against management	5%	3.1%***
Proxy voting advisor employed	Glass Lewis	Institutional Shareholder service (ISS)
% of resolutions voted against proxy voter recommendation	2%	9.6%

Source: Ruffer LLP and Partners Group
*Partners Group only publish voting data annually, as at 31 December 2023, due to the nature of their investment programmes.
**Please note this figure is Abstain and Withhold votes. These vote options depend on jurisdiction.
***This figure represents total votes against management less the Withhold and Abstain votes.

Proxy voting

A proxy advisor is a company that advises how owners of shares should vote on resolutions at shareholder meetings and, where applicable, the proxy advisor can also vote on behalf of the owners of the shares. The below details how each of the Scheme's applicable investment managers use a proxy advisor.

Ruffer LLP employ the use of Institutional Shareholder Services ("ISS") as their proxy voting advisor. All voting decisions are made by Ruffer LLP and they do not outsource any part of the strategic voting decisions to a proxy advisor. While Ruffer remain aware of ISS voting recommendations, no stewardship activities are delegated or outsourced during the voting procedure.

Partners Group employ the use of Glass Lewis to vote on clients' shares. Glass Lewis are instructed to vote in line with Partner's Proxy Voting Directive and where this differs from the proxy voting advisor's recommendation, voting decisions are made manually by Partners Group.

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.

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 annually, as part of the draft of this statement, but this will be considered in line with other Scheme risks. So, for this Implementation Statement, the Trustee has asked the investment managers to determine what they believe to be a "significant vote". The Trustee has not communicated voting preferences to their investment managers over the period, as the Trustee is yet to develop a specific voting policy.

Ruffer LLP and Partners Group have provided a selection of 13 and 10 votes respectively which they believe to be significant, and in the absence of agreed stewardship priorities the Trustee has selected 3 votes from each manager, that cover a range of themes to represent what it considers the most significant votes cast on behalf of the Scheme.

Ruffer Absolute Return Fund

In determining significant votes, Ruffer takes into account any votes they think will be of particular interest to their clients. In most cases, these are when votes form part of:

- Continued engagement with the company and/or;
- Ruffer have held a discussion between members of the research, portfolio and responsible investment teams to make a voting decision that differs from the recommendations of the proxy voting advisor, or Ruffer's internal voting guidelines.

	Vote 1	Vote 2	Vote 3
Company name	JDE Peet's	BP plc	Swire Pacific
Date of vote	25/05/2023	27/04/2023	11/05/2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.12%	0.48%	0.28%
Summary of the resolution	Governance – Approve Remuneration Report	Environmental – Approve Resolution on Climate Change Targets	Governance - Approve Issuance of Equity or Equity-Linked Securities without Pre-emptive Rights

	Vote 1	Vote 2	Vote 3
How the manager voted	For	Against	Against
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	Voted with management	Voted with management	No
Rationale for the voting decision	After reviewing the report and discussing it with management, Ruffer's view is that the proposed issue of restricted shares underpinning the long term incentive plan create a strong alignment between shareholders and management in generating value. Further, the structure of the restricted shares means their value is tied to company share-price performance, meaning it is a simple way of tying executive pay directly to the value placed on the company by the market.	BP has, in Ruffer's opinion, outlined a credible transition strategy with appropriate decarbonisation targets. Whilst BP has altered its 2025 and 2030 aims, it has retained its 2050 net zero target. This resolution asks for "BP to align its 2030 Scope 3 aims with the Paris Agreement". Firstly, this would require a wholesale shift in strategy, which Ruffer believe is unnecessary given the Board has extensively considered net zero targets and published a credible strategy. Secondly, BP in isolation has no control over what global scope 3 emissions should be under the Paris Agreement. Ruffer view this burden as disproportionate, particularly in the context of BP making long term investment decisions.	Hong Kong listing rules allow for 20% equity issuance without pre-emptive rights. ISS's global view is that 10% issuance should be the limit. As much as the controlling shareholders have acted in all shareholders' interests in the past, there is always risk that given their control over the business that they could dilute the minority shareholders. Ruffer believe limiting this to 10% without pre-emptive rights is in their best interests. This is in line with the ISS view.
Outcome of the vote	The resolution passed with 89.4% votes in favour.	The resolution failed with 83.3% votes against.	The resolution passed with 89.3% votes in favour.
Implications of the outcome	Ruffer will continue to engage with the company on governance issues and vote on remuneration proposals where they deem it to have material impact to the company.	Ruffer will monitor how the company progresses and improvements over time. They will continue to support credible energy transition strategies and initiatives which are currently in place, and will vote against shareholder resolutions which they deem as unnecessary.	Ruffer will continue to engage with the company on governance issues and vote on equity issuance proposals where they deem it to have material impact to the company.
Criteria on why the vote is considered "significant"	Ruffer believe this vote will be of particular interest to their clients. Ruffer support companies in the provision of long-term incentives for senior management.	Ruffer believe this vote will be of particular interest to their clients. Ruffer support management in their effort to provide clean, reliable and affordable energy.	Ruffer believe this vote will be of particular interest to their clients. Ruffer agree with ISS in their judgement that aggregate share issuance should not be greater than 10 percent of the relevant class of shares for

	Vote 1	Vote 2	Vote 3
			issuance for cash and non-cash consideration.

Partners Group, the Partners Fund

Partners Fund has a very small proportion of its holdings in publicly listed equities, with the majority of its assets in private assets.

The significant votes shown in the table below are examples of significant ESG efforts taken by the private companies held in the Partners Fund. Partners have selected these examples based on size of holdings in the Fund. Private markets investments are the largest exposure within the Fund and these are typically held directly, where Partners Group controls the board and therefore the direction/strategy of the business – in this way, voting information by the manager is not applicable for these holdings. The Partners Fund's exposure to listed equity is usually less than 5%.

Partners deem votes significant depending on the size of the holding of the company, therefore the larger the size of the company in the Partners Fund, the more significant.

	Vote 1	Vote 2	Vote 3
Company name	Breitling	Wedgewood Pharmacy	Techem Metering GmbH
Date of vote	n/a	n/a	n/a
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	n/a	n/a	n/a
Summary of the resolution	ESG efforts - Environmental impact	ESG efforts - Social impact	ESG efforts - Governance impact
How the manager voted	Control of board	Control of board	Control of board
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	n/a	n/a	n/a
Rationale for the voting decision	Where Partners hold a direct private equity investment in a company they invest directly to obtain control and influence over operations. Therefore whilst voting is not directly applicable to this asset class, the rationale for the interventions below are aligned with overarching aim of adding value through direct control of or significant input to the management of the company.		
Outcome of the vote	Not applicable as Partners control the board.		
Implications of the outcome	Since 2020, Breitling has actively measured its environmental impact, including greenhouse gas emissions. They have developed	Wedgewood Pharmacy is the largest provider of custom animal medications for acute and chronic conditions in the US.	Techem has set itself multiple goals around ethical business conduct. This includes fostering a culture of ethical corporate governance and compliance by

	Vote 1	Vote 2	Vote 3
	measures to reduce the negative impact, mainly from the supply chain. In March 2023, the company submitted a target validation request to the Science Based Targets initiative. Breitling aims to minimise its environmental impact through: • Reducing Scope 1 + 2 emissions by 80% by 2032 • Achieving net zero by 2050. The company also supported various carbon removal and avoidance activities, partnering with Swiss service providers like Southpole and Myclimate. Breitling aims to improve its product supply chain beyond carbon removal through the launch of new product lines.	They have completed their Scope 3 footprint assessment and have worked to ensure that the company's environmental impact is measured and aligns with its Greenhouse Gas Reduction objectives. The company also identified sustainable materials and packaging alternatives, including foam pack inserts, ice bricks, coolers, vials, and autobags or plastic bags, demonstrating their commitment to eco-friendly practices. As part of wider initiatives, the company is currently developing its employee handbook to foster a more inclusive employment strategy. As part of this they are revising all job descriptions and partnering with VelocityEHS to review their internal process.	training all their staff on compliance topics every calendar year. Employees also complete sustainability training on a bi-annual basis. In addition, Techem have a zero tolerance policy for cases of corruption and data protection breaches. On a bi-annual basis, their data protection compliance is externally audited. Further, in 2023 Techem has taken measures linking top management remuneration to sustainability targets and governance considerations including the proportion of women in management positions. Remuneration is linked to the achievement of the target that at least 40% of new management positions be filled by female managers.
Criteria on which the vote is considered "significant"	Size of holding in fund	Size of holding in fund	Size of holding in fund

Fund level engagement

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

Engagement activities are limited for the Scheme's LDI and cash funds due to the nature of the underlying holdings, so engagement information for these assets have not been shown.

Manager	Ruffer LLP	Partners Group	Barings Asset Management		
Fund name	**Absolute return Fund**	**The Partners Fund**	**Global Private Loan Fund II**	**Global Private Loan Fund III**	**Global private Loan Fund IV**
Does the manager perform engagement on behalf of the holdings of the fund?	Yes	Yes	Yes	Yes	Yes
Number of entities engaged on behalf of the holdings in this fund in the year	32 engagements with 25 entities	*Data not Provided**	*15 engagements with 9 entities*		
Number of engagements undertaken at a firm level in the year	66	*Data not provided**	490 engagements with 324 entities		

Source: Ruffer LLP, Partners Group, and Barings Asset Management
*Engagement information is not shown for the Partners Fund. Given the nature of private markets investments they were unable to provide breakdown of engagement activities at a fund level. However, the example ESG efforts information in the previous section provides examples of engagement.

Manager	Insight Investment				
Fund name	**Liquid ABS Fund**	**Global ABS Fund**	**Liability Driven Investment ("LDI")***	**Maturing Buy & Maintain Bond Fund 2021-2025**	**Maturing Buy & Maintain Bond Fund 2026-2030**
Does the manager perform engagement on behalf of the holdings of the fund?	Yes	Yes	n/a	Yes	Yes
Number of entities engaged on behalf of the holdings in this fund in the year	Data not provided at a fund level.		n/a	29	51
Number of engagements undertaken at a firm level in the year	2,521 engagements, with 571 entities				

Source: Insight Investment
*The LDI investments with Insight are largely derivative based. As a result, Insight do not engage directly with underlying issuers.

Examples of engagement activity undertaken over the year to 31 March 2024

In the table below we have set out some examples of engagement activity undertaken by the investment managers over the past 12 months.

Manager and Fund	Engagement themes and examples of engagements undertaken with holdings in the fund
Ruffer LLP Absolute Return Fund	Ruffer engaged with Ryanair in a meeting with the Head of Investor Relations and the Director of Sustainability and Finance. The objective of the meeting was to: • Discuss the company's efforts on the use of sustainable aviation fuel (SAF) • To ask for an update on emissions reduction targets being validated by the Science Based Targets initiative (SBTi) • To discuss the company's partnership with Trinity College Dublin to leverage research and development on carbon savings in feedstock and SAF certification • To encourage clearer disclosure of metrics relating to the use of SAF so that the market can observe progress more clearly. On SBTi validation, the company said it had formally submitted its targets, but the validation process was slow-moving. Ryanair had previously engaged with SBTi when guidance for the aviation sector was being prepared. The company also gave a detailed update on its partnership with Trinity College Dublin, and how research was focused on getting a better understanding of potential CO2 savings. On better disclosures around the use of sustainable aviation fuel, Ruffer explained that, whilst they can infer the numbers from wider disclosures, however it would help investors if the company published data itself. Ryanair said it would likely be required to include these metrics in its Sustainability Report. Ruffer remain impressed by the company's approach to sustainable aviation fuel and emission reductions more broadly and think it is well placed to reinforce its competitive advantage through the transition. Ruffer will monitor the company's disclosures as well as the SBTi database for an update on the validation of Ryanair's emissions reduction targets and will also wait to see whether the next Sustainability Report addresses their requests for better data disclosures.
Insight Investment Global ABS Fund Liquid ABS Fund Maturing Buy & Maintain Bond Funds	Insight engaged with Barclays, as part of their counterparty engagement programme. With growing operations in the US, the political environment surrounding ESG considerations directly impacts the bank and its operations. The latest engagement sought to discuss the bank's sustainable finance framework and the feedback Insight have previously provided, given some elements of Barclay's environmental programme lag behind their peers. Barclays' sustainable finance framework was updated in 2022 when the target for sustainable linked financing was revised from \$150bn to \$1tr. However, they have yet to set accredited science-based targets. Barclays continue to engage with SBTi but are prioritising discussions with the Net Zero Banking Alliance. Impact bonds were discussed as part of the engagement in the context of implementing stricter policy criteria covering refinancing of old projects, investor reporting, energy efficiency, definitions (e.g., what constitutes a 'sustainable product') and overarching governance. Following on from Insight's recommendations, Barclays has enhanced its policies surrounding some operations such as oil sands and arctic drilling and introduced a Client Transition Framework demonstrating how the bank is evaluating its corporate clients' transition progress towards low-carbon business models. They also acknowledged their risk policy guidelines are due to be updated.

Insight recommended that Barclays provide additional details on the assessment and escalation procedures relating to clients on climate-related issues within their Client Transition Framework in their next annual report. Insight also recommended that Barclays sets science-based targets to improve transparency and comparability with competitors, increases scope of assurance on scope 1, 2, 3 emissions and transparency around its lobbying practices.

Barings Asset Management
Global Private Loan Funds (II, III and IV)

Barings engaged with a European stairlift manufacturer on setting ESG targets. The company is a Dutch manufacturer and distributor of customised stairlifts and is the market leader in Western Europe and is among the leading companies more widely across Europe.

Barings backed the primary buyout of the company by a sponsor, a long-term investor with a strong track record in the healthcare sector, based in the Netherlands. Documentation at close included the proposals for the implementation of ESG conditions/ratchets within the financing arrangements and an agreement to set ESG performance indicators. These conditions offered up to a 0.1% discount on the outstanding finance upon achievement of annual targets across 5 of the key performance indicators. Prior to the buyout the group had no formalised ESG strategy so Barings viewed this as a materially positive step.

Whilst the company and sponsor were initially focused primarily on the buyout transition, they provided Barings with initial ESG targets in Q1 2024.

Management proposed key performance indicators & annual targets that they intend to track, which included:

(i) Reduction in scope 1 & 2 carbon emissions,

(ii) Reduction in scope 3 carbon emissions,

(iii) Avoid product waste through recycling & remanufacturing of redundant products/used products,

(iv) Employment of people with disabilities or social disorders.

Whilst the initial proposal was ambitious (e.g. a cumulative reduction in scope 1,2 and 3 carbon emissions of 7% p.a. over the next 5 years), Barings engaged with the company and advocated to include the promotion of diversity and gender equality through an increased proportion of women in management positions.

Targets were agreed with management in March 2024 but remain subject to review and sign off by year end.

Summary

Based on the information received, the Trustee believes the stewardship policies of the managers, and the activities they have undertaken over the period are in accordance with their policy on social, environmental and ethical factors.

The Trustee is supportive of the key voting action taken by the applicable investment managers over the period to encourage positive governance changes in the companies in which the managers hold shares.

Prepared by Dollond & Aitchison Pension Trustees Limited for Dollond & Aitchison Pension and Life Assurance Scheme

July 2024