



# Lincoln Staff Benefits Plan (‘Plan)

5 April 2024 Implementation  
Statement

August 2024

# 1. Introduction

The Trustee is required to make publicly available online a statement (“the Implementation Statement”) covering the Lincoln Staff Benefits Plan (the ‘Plan’) in relation to the Plan’s Statement of Investment Principles (the “SIP”).

The SIP was amended once during the year ending 5 April 2024, and the changes made were predominantly to update the SIP to allow for the completion of a bulk annuity (buy-in) transaction with Standard Life (“the insurer”) which was carried out in April 2023. This SIP came into force from August 2023.

A copy of the current SIP signed and dated October 2023 can be found here:

<https://www.schemedocs.com/download/lincoln-statement-investment-principles-2023.pdf>

This Implementation Statement covers the period from 6 April 2023 to 5 April 2024 (the “Plan Year”). It sets out how the Trustee’s policies on stewardship have been followed over the Plan Year.

The latest guidance (“the **Guidance**”) from the Department for Work and Pensions (“**DWP**”) aims to encourage the Trustee of the Plan to properly exercise their stewardship policy including both voting and engagement which is documented in the Scheme’s SIP. With the help of the Plan’s Fiduciary Manager, to whom the Trustee delegated the implementation of its Stewardship policy, this Implementation Statement has been prepared to provide the details on how the Trustee has complied with the DWP’s statutory guidance.

The Trustee uses the Fiduciary Management service of **Schroders IS Limited** as their Investment Manager and Adviser (referred to as the “**Fiduciary Manager**” in the Implementation Statement). The Fiduciary Manager can appoint other investment managers (referred to as “**Underlying Investment Managers**”) to manage part of the Plan’s assets, and investments with these managers are generally made via pooled funds, where the Plan’s investments are pooled with those of other investors.

Due to the buy-in which was completed at the start of the Plan Year, the assets remaining with the Fiduciary Manager as at 5 April 2024 were as follows:

Asset Class	Fund	Value (£)	Proportion of assets
Cash	Blackrock Sterling Liquidity	£4.40m	75%
Cash	Directly held	£0.06m	1%
Catastrophe Reinsurance	Leadenhall Value – Side pockets	£0.02m	0%
Property	Tritax UK Property	£0.9m	16%

Source: Fiduciary Manager, Underlying Investment Managers, 5 April 2024.

The nature of the assets remaining with the Fiduciary Manager are either cash assets or illiquid assets which are in the process of being sold down. The Plan does not hold any investments with voting rights attached. Therefore, there is no voting summary shown in this Implementation Statement.

A copy of this Implementation Statement is available on the following website:

<https://schemedocs.com/download/lincoln-implementation-statement.pdf>

## 2. How the Trustee's policies on stewardship have been followed over the Plan Year

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At the start of the Scheme Year, the Trustee with the Scheme Actuary, Buy-in Advisor and Fiduciary Manager carried out an exercise to secure the Plan's benefits with an insurer. As part of the exercise, the Trustee selected Standard Life as the insurer to carry out a buy-in transaction with, which the Trustee believed would lead to better security of Plan's members' benefits being paid going forward, once a full Plan buyout is completed in the near future. Given the nature of the remaining assets which were set out in the previous section, voting and engagement are irrelevant hence there is limited scope for the Trustee to exercise its stewardship policy. However, the Trustee plans to monitor insurer with the assistance of the Buy-in Advisor (or Risk Transfer Advisor) going forward as part of the ongoing monitoring process before a full Plan buyout is completed. The examples of monitoring include insurer's commitments to the ESG initiatives, voting (if relevant) and engagement report of the annuity etc.

The Trustee's policy as set out in the SIP regarding Stewardship is as follows:

*Noting the Plan's Growth assets were near fully redeemed at the date of this Document and the majority of the Plan's assets are held in a buy-in policy with Standard Life.*

*Given the nature of the Plan's buy-in policies, the Trustee believes it has a limited scope to influence the ongoing stewardship and corporate governance activities of the insurer as a result it will not actively seek to monitor its activities and policies in this area.*

**Given the policy as set out above and the investment strategy held by the Trustee during the Plan Year, the Trustee believes that it has acted in accordance with the DWP Guidance and successfully followed the stewardship policy in the SIP over the Scheme Year.**

