

Implementation Statement

Introduction

This Implementation Statement covers the period 6 April 2020 to 5 April 2021 and has been prepared by the Trustee of the LGH Group plc Pension Scheme (the “Scheme”) to set out:

- How the Trustee’s policies on stewardship and engagement have been followed.
- The voting behaviour of the Trustee, or that undertaken on their behalf.

Statement of Investment Principles (“SIP”)

The Trustee’s policies on stewardship and engagement are included in the Scheme’s SIP, which is available on request. The SIP has been reviewed by the Trustee during the period.

Meetings with fund managers

The Trustee’s investments are held in the following funds;

Manager	Fund
Legal & General Investment Management (“LGIM”)	Dynamic Diversified Fund
Aberdeen Standard Capital	Medium Risk Fund of Funds
St James Place Wealth Management	Global Equity
	Strategic Managed
Miton	Cautious Multi Asset
Trojan	Trojan O

The Trustee also holds in-payment annuity policies with AVIVA Life Services Limited (“Aviva”). Aviva is responsible for the underlying investments of those policies which provide the members with a stream of cashflows.

Reviews of fund managers

The Trustee carried out a review of the investment strategy over the period and intends to transfer the assets to funds held with LGIM.

Stewardship

The majority of the managers have provided details of their ESG and Stewardship policies which can be found on the Employer’s website. This includes whether or not they are signatories to the UK Stewardship code and UN Principles for Responsible Investment (UN PRI). The UN PRI are a set of global best practices that provide a framework for integrating ESG issues into financial analysis, investment decision-making and ownership practices.

Voting behaviour

The majority of the managers have, where relevant, provided details of their voting policies which can be found on the Employer’s website.

The Trustee’s policy is to delegate the exercise of voting rights to their managers and to disclose information on the voting decisions made by their managers. The Trustee will review the voting behaviour of the managers regularly to check that they are comfortable with the decisions taken by the managers and their approach generally.

How voting and engagement policies have been followed

The Scheme invests primarily in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers. Where they are not invested in pooled funds, the investment decisions are still left to the individual fund managers who manage the Scheme assets alongside those of other investors.

The Trustee has taken into consideration the Financial Reporting Council's UK Stewardship Code. However, the Trustee cannot usually directly influence the managers' policies on the exercise of investment rights where the Trustee hold assets in pooled funds. This is due to the nature of these investments. The Trustee receives reporting on the voting and engagement policies of the fund managers and consider these as part of manager appointment and review processes.

The Trustee believes that Environmental, Social and Governance ("ESG") factors are financially material – that is, they have the potential to impact the value of the investments from time to time.

The Trustee 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.

The Trustee has received information from the most significant investment managers on their voting behaviours, stewardship and engagement activities during the period of this Implementation Statement. Information provided can be accessed from the Employer's website.

The Trustee was satisfied that the managers' policies were reasonable and no further remedial action was required during the period. Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the investment managers are in alignment with the Scheme's stewardship policies.

Data limitations

Where information is not included in this statement, it has been requested but has not been provided in a useable format or at all by the investment manager. The Trustee is in discussion with the managers around how this data will be provided for future statements taking into account the changes being made to the investment strategy.

Statement of compliance with Regulations

Over the period, the Trustee is pleased to report that they have in their opinion adhered to the policies set out in their SIP and have complied with the Regulations.