

Implementation Statement, covering the Plan Year from 1 April 2023 to 31 March 2024

The Trustee of the Cinch Connectors Limited Pension Plan (the “Plan”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the voting and engagement policies in its Statement of Investment Principles (“SIP”) during the Plan Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Plan Year by, and on behalf of, Trustees (including the most significant votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

In preparing the Statement, the Trustee has had regard to the [guidance](#) on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions (“DWP’s guidance”) in June 2022.

1. Introduction

The voting and engagement policies in the SIP were reviewed and updated during the Plan Year in February 2024 to reflect the Plan’s setting of stewardship priorities for its investment managers. Further detail and the reasons for these changes are set out in Section 2. As part of this SIP update, the employer was consulted and confirmed it was comfortable with the changes.

The Trustee has, in its opinion, followed the Plan’s voting and engagement policies during the Plan Year, by continuing to delegate to its investment managers the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes.

2. Voting and engagement

As noted above, the Trustee has delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement.

As part of its advice on the selection and ongoing review of the investment managers, the Plan’s investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers’ approaches to voting and engagement.

LCP did not raise any concerns in relation to the voting and engagement capabilities of the Plan’s investment managers during the Plan Year.

Following the introduction of DWP’s guidance, the Trustee agreed to set stewardship priorities to focus monitoring and engagement with its investment managers on specific ESG factors. In early 2024, the Trustee agreed stewardship priorities for the Plan which were: carbon emissions and related climate issues; corporate activity to the detriment of biodiversity; labour standards and in particular Diversity, Equity and Inclusion (“DEI”) and modern slavery; and suitable executive remuneration structures, aligning board interests with those of stakeholders.

These priorities were selected because the Trustee believes they are market-wide areas of risk that are financially material for the investments and can be addressed by good stewardship. The Trustee communicated these priorities to its managers in February 2024.

3. Description of voting behaviour during the Plan Year

All of the Trustee’s holdings in listed equities are within pooled funds and the Trustee has delegated to its investment manager the exercise of voting rights. Therefore, the Trustee is not able to direct how votes are exercised and the Trustee itself has not used proxy voting services over the Plan Year.

In this section we have sought to include voting data in line with the Pensions and Lifetime Savings Association (“PLSA”) guidance, PLSA Vote Reporting template and DWP’s guidance on the Legal and General Investment Management (“LGIM”) Low Carbon Transition Global Equity Index Fund and the Plan’s former investment in the Baillie Gifford Multi Asset Growth Fund, which are the only funds which hold equities.

In addition to the above, the Trustee contacted the Plan’s asset managers that do not hold listed equities, to ask if any of the assets held by the Plan had voting opportunities over the Plan Year. None of the other funds that the Plan invested in over the Plan Year held any assets with voting opportunities.