

Implementation Statement

Irwin Mitchell 1989 Pension Scheme (“the Scheme”)

Scheme year ended 5 April 2021

This statement sets out the Trustees’ approach and implementation of the Environmental, Social and Governance (“ESG”), engagement and voting policies set out in the Statement of Investment Principles (“SIP”) over the year to 5 April 2021.

The voting behaviour within this statement is not given over the Scheme year end to 5 April 2021 because presently your investment managers have only been to report on most of this data quarterly, we have therefore given the information over the year to 31 March 2021.

Investment manager and funds in use

The Scheme's funds are all invested via the Royal London Platform. Many of these funds are managed by Royal London Asset Management, but in some cases Royal London gives access to a fund managed by an external manager.

The investment funds used for the Scheme together with the underlying managers as at 5 April 2021 are set out in the table below.

Manager	Fund	Asset class
Baillie Gifford	RLP Baillie Gifford UK Equity	UK Equities
	RLP Baillie Gifford UK & Worldwide Equity	Global Equities
	RLP UK Equity Specialist (Ballie Gifford UK EQ Alpha)	UK Equities
BlackRock Investment Management	RLP BlackRock Aquila Life Consensus	Multi Asset
	RLP BlackRock Aquila Life European Equity Index	Global Equities
	RLP BlackRock Aquila Life Global Blend	Global Equities
	RLP BlackRock Aquila Life Global Equity Index (50:50)	Global Equities
	RLP BlackRock Aquila Life Global Equity Index (60:40)	Global Equities
	RLP BlackRock Aquila Life Long Gilt Index	Government Bonds
	RLP BlackRock Aquila Life US Equity Index	Global Equities
	RLP BlackRock Aquila Life World (ex UK) Equity Index	Global Equities
Fidelity Worldwide Investment	RLP BlackRock Gold & General	Multi Asset
	RLP BlackRock Aquila Life UK Equity Index	UK Equities
Fidelity Worldwide Investment	RLP Fidelity Asia	Global Equities
HSBC Global Asset Management (UK) Limited	RLP HSBC Islamic Global Equity Index	Global Equities
JPMorgan Asset Management	RLP Emerging Markets Core Plus (JPM Emerging Markets)	Emerging Markets Equities
	RLP JPMorgan Emerging Europe Equity	Emerging Markets Equities
Jupiter Asset Management	RLP Jupiter Financial Opportunities Fund	Global Equities
BNY Mellon Asset Management	RLP BNY Mellon Multi-Asset Growth	Multi Asset
Royal London Asset Management	RLP Cash Plus Fund	Cash

Manager	Fund	Asset class
	RLP Deposit Fund	Cash
	RLP Sterling Extra Yield Bond Fund	High Yield Bonds
	RLP Absolute Return Government Bond Fund	Government Bonds
	RLP Adventurous Managed	Multi Asset
	RLP Emerging Markets ESG Leaders Equity Tracker	Emerging Markets Equities
	RLP Global Managed	Global Equities
	RLP Global Equity Select	Global Equities
	RLP Global High Yield Bond Fund	High Yield Bonds
	RLP Long (15yr) Corporate Bond	Corporate Bonds
	RLP Long (15yr) Gilt	Government Bonds
	RLP Long (15yr) Index Linked	Index-Linked Bonds
	RLP Medium (10yr) Corporate Bond	Corporate Bonds
	RLP Medium (10yr) Gilt	Government Bonds
	RLP Medium (10yr) Index Linked	Index-Linked Bonds
	RLP Short (5yr) Corporate Bond	Corporate Bonds
	RLP Short (5yr) Gilt	Government Bonds
	RLP Short (5yr) Index Linked	Index-Linked Bonds
	RLP Short Duration Global High Yield	High Yield Bonds
	RLP Sustainable Diversified Trust	Multi Asset
	RLP Worldwide	Global Equities
	RLP Corporate Bond	Corporate Bonds
	RLP Commodity Fund	Multi Asset
	RLP Property Fund	Property
	RLP With Profits	Multi Asset
	RLP Sustainable World Trust	Multi Asset
	RLP Sustainable Leaders	Multi Asset
	RLP Managed	Multi Asset
	RLP Far East (ex Japan)	Global Equities
	RLP Ethical Bond	Corporate Bonds
Sarasin & Partners LLP	RLP Sarasin Food & Agriculture Opportunities	Global Equities
Liontrust Asset Management	RLP Liontrust Global Alpha	Global Equities
	RLP Liontrust Balanced	Multi Asset

The Trustees offer a default strategy which lifestyles members to lower risk assets as they approach retirement. In addition there are two legacy lifestyle strategies in place which have remained following previous changes to the strategy that have been applied to future members only. Details of these strategies, as well as the self-select funds available, can be found in the Statement of Investment Principles ("SIP") which is available online.

<https://www.irwinmitchell.com/terms-conditions/our-regulatory-information/pension-scheme-chair-statement>

Voting and engagement policies

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 Trustees monitor the engagement and voting activities of the managers by requesting Stewardship reports from Royal London and BlackRock, and discussing these at investment sub-committee meetings, with the Scheme's investment consultant.

Over the period reported here, the Trustees received data on voting and engagement from Royal London and BlackRock on the funds managed by Royal London Asset Management and BlackRock Investment Management respectively.

The Trustees reviewed the available reports from the investment managers at an investment sub-committee meeting on June 2021, and the Trustees were comfortable that the managers were undertaking their voting and engagement in line with the Trustees policies as far as the reporting is available.

The voting data collated for the Scheme is given in the table on the following page.

Voting data

The underlying manager responsible for the vast majority of the Scheme's assets (93.3%) is BlackRock Investment Management. Voting data is displayed for funds within BlackRock which hold more than 1% of the Scheme's assets on the grounds of materiality. This includes the Aquila Global Blend Fund, and the Aquila Global Equity Fund (60:40).

The majority of the Scheme's remaining assets (6.3%) are managed by Royal London Asset Management directly. Royal London were only able to provide voting data for the year ending 31 December 2020 for this Statement. The Trustees' investment consultant has communicated to Royal London on behalf of the Trustees that future implementation statements will be required to use data specifically during the Scheme year, and Royal London have confirmed that going forward they will be able to provide this data.

Voting data for the remaining asset managers, representing 0.4% of the Scheme's assets, has been omitted from this Statement on grounds of materiality.

Manager	Royal London Asset Management	BlackRock Investment Management	
Reporting date	31 December 2020	31 March 2021	
Fund name	Firm level information given. Therefore the below details all voting activities undertaken by Royal London during the year.	Aquila Life Global Equity Fund (60:40)	Aquila Life Global Blend Fund
Structure	Pooled		
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.		
Number of company meetings the manager was eligible to vote at over the year	2,419	3,201	3,011*
Number of resolutions the manager was eligible to vote on over the year	28,992	40,054	38,290*
Percentage of resolutions the manager voted on	99.56%	94.85%	94.82%**
Percentage of resolutions the manager abstained from	1.16%	1.00%	0.45%**
Percentage of resolutions voted with management, as a percentage of the total number of resolutions eligible to vote on	84.60%	93.78%	94.12%**
Percentage of resolutions voted against management, as a percentage of the total number of resolutions eligible to vote on	13.90%	6.26%	5.86%**

Manager	Royal London Asset Management	BlackRock Investment Management
Percentage of resolutions voted contrary to the recommendation of the proxy advisor	9.70%	<i>not reported (details as to why provided in below paragraph)</i>

**Votes for the Aquila Global Blend Fund are the combined sum of the Aquila UK Equity Fund, and Aquila World (ex UK) Equity Fund, the components that make up the Global Blend Fund..*

***Percentage used for the Aquila Global Blend Fund are figures from the Aquila UK Equity Fund and Aquila World (ex UK) Equity Fund weighted according to the blend within the Fund, which is 35% and 65%, respectively.*

Source: Royal London Asset Management, BlackRock Investment Management

BlackRock employ the use of Institutional Shareholder Services (ISS) for proxy advisory and voting services as well as Glass Lewis for proxy advisory services. Recommendations from such firms make one of the number of inputs used in their vote analysis process. Information on the percentage of resolutions where the manager voted contrary to the recommendation of the proxy advisor is therefore not available.

Royal London have confirmed to us that they use Glass Lewis as a proxy voting service, but that this service is used for information only.

There are no voting rights attached to the other assets, of a material nature, held by Royal London and BlackRock and therefore no voting information is shown above for these assets.

Significant votes

The Trustees delegated the decision of how to define what a “significant vote” is to the investment managers. Data on significant votes was requested from the Scheme’s investment managers.

Data on significant votes is provided for the Aquila Life Global Equity Fund (60:40), and the Aquila Life Global Blend Fund. Royal London have also provided examples of significant votes across the firm, three of which have been presented below.

The Aquila Life Global Blend Fund is a combination of the Aquila Life World (ex UK) Equity Fund, and Aquila Life UK Equity Fund with a 65%/35% split respectively. Significant votes have therefore been taken from both of the component funds.

Royal London Asset Management

In determining significant votes, Royal London have stated that they view every vote as significant, and as such they publically disclose the outcome of all votes and provide rationale for whenever a vote is cast against management.

We have provided some detailed examples of significant votes that Royal London have provided, rather than all votes, for ease of reporting. However, if you would like to review further significant votes, this information can be found online via the following link.

<http://www.rlam-voting.co.uk/voting/index.php>

	Vote 1	Vote 2	Vote 3
Company name	Adidas	Wizz Air Holdings plc	Barclays
Date of vote	11 August 2020	28 July 2020	7 May 2020
Summary of the resolution	Approval of the acts of both management and supervisory board members during the previous financial year.	Approval of the company remuneration report.	Approve company proposal committing Barclays to being a net zero bank by 2050
How the manager voted	Against	Against	For
Rationale for the voting decision	<p>The approval of this resolution is a requirement for German listed companies, and is usually just a procedural sign off. However, by voting against this resolution investors can signal any issues that they may have with actions taken by management during the year.</p> <p>Royal London believe that Adidas had failed to address diversity and inclusion issues in both its advertising and across its workforce.</p>	<p>Wizz Air was proposing to apply upwards discretion to the executive annual bonus awards which took no account of the context of the COVID-19 pandemic.</p>	<p>Initially ShareAction (a charity focussed on promoting better outcomes for responsible investing) filed a shareholder proposal to encourage Barclays to move away from its carbon intensive lending. This resolution was a counterproposal from Barclays.</p> <p>Royal London engaged with Barclays and ShareAction to better understand the two proposals, and were impressed by the scale of the bank’s response.</p>

	Vote 1	Vote 2	Vote 3
Outcome of the vote	Passed	51% of shareholders also opposed this resolution.	Passed. The resolution received almost 100% support.
Implications of the outcome	Ensure diversity initiatives are embedded into the company, and board members consider the issue in more depth. If Royal London does not believe that anything is being done to combat this issue by the time of the next AGM, they will consider escalating the vote to individual board members.	Enabled the company to gain perspective of its remuneration report in light of the context of the pandemic and its general impact on the economy.	By approving this resolution, Barclay's has committed to become a net zero bank by 2050, along with commitments to helping the transition of energy and power, and report annually on their emissions by 2021. Following this successful outcome, Royal London will be monitoring the bank for implementation of the plan.

BlackRock Investment Management

We have provided some detailed examples of significant votes that BlackRock have provided, rather than all votes, for ease of reporting. However, if you would like to review further significant votes, this information can be found online via the following link.

<https://www.blackrock.com/corporate/about-us/investment-stewardship#vote-bulletins>

BlackRock Investment Management, Aquila Life Global Equity Fund (60:40)

	Vote 1	Vote 2	Vote 3
Company name	Exxon Mobil Corporation	Volkswagen AG	Mizuho Financial Group
Date of vote	27 May 2020	30 September 2020	25 June 2020
Summary of the resolution	Requirement for an independent Board Chair	Discharge of multiple members of the Management Board and Supervisory Board	Shareholder proposal. Amend articles to disclose plan outlining company's business strategy to align investments with goals of Paris Agreement.
How the manager voted	For	Against	Against
Rationale for the voting decision	BlackRock's belief is that the Board would benefit from a more robust independent leadership structure	BlackRock voted against the discharge of a number of members due to ongoing concerns with oversight in relation to the emissions scandal and the insufficient level of independence on the Supervisory Board and its sub-committees. There were additional concerns over the independence of the external auditor.	BlackRock voted through an independent fiduciary. The fiduciary took into consideration the company's policies and the announcements made since the proposal was filed and determined that the company now has policies in place to address these issues.
Outcome of the vote	67% of shareholders opposed this resolution. The resolution therefore did not pass.	Passed	Data not provided

BlackRock Investment Management, ACS UK Equity Fund

	Vote 1	Vote 2	Vote 3
Company name	Chevron Corporation	Royal Dutch Shell Plc	Daimler AG
Date of vote	27 May 2020	19 May 2020	8 July 2020
Summary of the resolution	Report on climate lobbying in alignment with the Paris Agreement	Request that Shell set and publish targets for Greenhouse Gas emissions	Election of Timotheus Höttges as a member of the Supervisory Board.
How the manager voted	For	Against	Against
Rationale for the voting decision	BlackRock believe greater transparency in the company's approach to political spending and lobbying as aligned with their stated support for the Paris Agreement will help articulate consistency between private and public messaging in the context of managing climate risk and the transition to a lower-carbon economy	Given the company's progress towards aligning its reporting with the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations and its responsiveness to shareholder engagement on portfolio resilience and reduction of Greenhouse Gas emissions, BlackRock are supportive of management for the time being	As roles as directors become increasingly demanding, directors must be able to commit an appropriate amount of time to board and committee matters. Therefore, BlackRock believe it is important that a director only takes on a limited number of mandates to ensure such flexibility. In BlackRock's view, Timotheus Höttges holds an excessive number of mandates, raising concerns about his ability to exercise sufficient oversight to the supervisory board.
Outcome of the vote	<i>Data not provided</i>	85% of shareholders opposed this resolution. The resolution therefore did not pass.	Passed

BlackRock Investment Management, ACS World ex UK Equity Fund

	Vote 1	Vote 2	Vote 3
Company name	Swedbank	Volvo AB	Santander Consumer USA Holdings, Inc.
Date of vote	28 May 2020	18/06/2020	10 June 2020
Summary of the resolution	Shareholders are asked to approve the discharge of several Ordinary Board Members and the CEO until 28 March 2019	Approve remuneration policy and other terms of employment for executive Management	Report on risk of racial discrimination in vehicle lending.
How the manager voted	Against	Against	For
Rationale for the voting decision	Swedbank saw a high-profile money laundering scandal in February 2019. The scandal exposed poor anti-money laundering measures by the authorities and results in a large	BlackRock believed the Remuneration policy did not reflect performance over a sustained period.	Discriminatory lending practices are a material risk to the company's business and shareholders would benefit from increased and improved disclosure on compliance

	Vote 1	Vote 2	Vote 3
	fine. By voting against the discharge of the board members and CEO, BlackRock believes it holds the board to account for this serious governance failure.		programs. BlackRock also believe that the shareholders would benefit from improved processes and procedures to prevent discriminatory lending.
Outcome of the vote	<i>Data not provided</i>	<i>Data not provided</i>	<i>Data not provided</i>

Fund level engagement

The investment managers engage with their investee companies on behalf of the Trustees. The Scheme's investment consultant requested information on fund level engagement from the asset managers.

Royal London have only provided high level statistics on engagement at firm level. Whereas BlackRock have provided more detailed information for the Aquila Life Global Equity Fund (60:40), and Aquila Life Global Blend Fund.

Again the Trustees and Barnett Waddingham are pressing the managers for improved reporting in this area. In future years, the Trustees expect to be able to report in more detail on fund level engagement and how it aligns with the Scheme's stewardship policies.

The table below provides a summary of the engagement activity undertaken by each manager at the firm level for Royal London, and at the Fund level for BlackRock Investment Management.

Manager	Royal London Asset Management	BlackRock Investment Management	
Fund Name	Firm level	Aquila Life Global Equity Fund (60:40)	Aquila Life Global Blend Fund
Reporting Date	31 December 2020	31 March 2021	31 March 2021
Number of engagements in the year	413	2,895	4,409*
Number of individual companies engaged	>200	1,761	2,598*

**Votes for the Aquila Life Global Blend Fund are the combined sum of the Aquila Life UK Equity Fund, and Aquila Life World (ex UK) Equity Fund. Source: Royal London Asset Management, BlackRock Investment Management*

Strategy Review

There were no changes to the Scheme's platform provider, the default investment strategies for members in the Scheme, or self-select options available to members in the Scheme over the year to 5 April 2021.

The last formal strategic review of the default investment arrangements was undertaken in November 2018 which took into account the membership profile of Scheme, its members and their needs, as well as Barnett Waddingham LLP's knowledge and market experience, to ascertain the suitability of their default fund strategy, and the default fund arrangements, and to ensure that they provide good retirement outcomes for members. The next formal investment review is due to commence in late 2021.

Scheme Governance

Governance arrangements, in terms of the constitution of the Board of Trustees, service level agreements with providers, processing of core financial transactions, costs and charges, and investment arrangements, are detailed in the Chair's Statement.

The Trustees are responsible for making investment decisions, and seek advice as appropriate from Barnett Waddingham LLP, as the Trustees' investment consultant.

Statement of Investment Principles

The Statement of Investment Principles was last updated in October 2020 to allow for an update for the Scheme's ESG policies as required under legislation.

Monitoring of Investment Managers

During the scheme year the Trustees created an investment sub-committee (ISC) which first met in June 2021, and will continue to meet quarterly going forwards. The Committee discusses the performance of investment managers in the context of wider markets, and considering benchmarks.

The Trustees receive half yearly monitoring reports from Barnett Waddingham which analyses the Scheme's assets, manager performance and performance of the lifestyle strategies and default strategy. This report is discussed at regular investment sub-committee meetings.

The Trustees have made no new manager appointments within the default strategy over the year. The Trustees have considered the ESG funds available to members as described earlier in this Statement and agreed the suitability of a new Royal London Fund to provide members with increased choice in the self-select fund range. The Trustees are limited to the fund choices available on the Royal London Platform when considering alternative funds.

Non-financially material considerations

The Trustees' policy is to not take account of non-financially material considerations in setting their investment strategy. Therefore this has not been considered over the year. The Trustees intend to review this policy over time.

Prepared by the Trustees of the Irwin Mitchell 1989 Pension Scheme

September 2021