

Implementation Statement

Irwin Mitchell 1989 Pension Scheme (“the Scheme”)

Scheme year ended 5 April 2022

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 2022.

The voting behaviour within this statement is not given over the Scheme year end to 5 April 2022 because presently your investment managers have only been able to report on most of this data quarterly, we have therefore given the information over the year to 31 March 2022.

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 2022 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 Equity 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 (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
	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 Short Term Fixed Income Fund	Cash
	RLP Deposit Fund	Cash

Manager	Fund	Asset class
	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	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 Trustees Statement of Investment Principles in force at 5 April 2022 described the Trustees' policy on the exercise of rights (including voting rights) and engagement activities as follows:

"The Trustees expect investment managers to vote and engage on behalf of the Scheme's holdings and the Trustees monitor this annually. The Trustees do not expect ESG considerations to be disregarded by the investment manager."

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 through the annual Implementation Statement and discussing these with the Scheme's investment consultant. The voting and engagement data collated for the Trustees is given in the following pages.

The Trustees remain comfortable that the investment managers are undertaking their voting and engagement in line with the Trustees policies as far as the reporting is available.

Voting data

The underlying manager responsible for the vast majority of the Scheme's assets (91.9%) 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 (7.7%) are managed by Royal London Asset Management directly. In previous year's Royal London has only been able to provide voting data for calendar years (i.e., year's ending 31 December). However, following feedback from the Trustees' investment consultant, that the Trustees need to report on voting data for their specific Scheme year, Royal London have now been able to provide voting data for the year to 31 March. However, we note that this data is provided at a firm level, as opposed to a fund level, like BlackRock's 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	
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	3,799	2,995	3,230*
Number of resolutions the manager was eligible to vote on over the year	44,345	36,686	39,637*
Percentage of resolutions the manager voted on	98.4%	99.0%	99.0%**
Percentage of resolutions the manager abstained from	1.6%	1.0%	0.4%**
Percentage of resolutions voted with management, as a percentage of the total number of resolutions eligible to vote on	85.4%	92.0%	91.7%**
Percentage of resolutions voted against management, as a percentage of the total number of resolutions eligible to vote on	14.6%	7.0%	7.3%**
Percentage of resolutions voted contrary to the recommendation of the proxy advisor	3.4%	<0%	<0%

**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. 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 the Scheme's remaining managers 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 publicly 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	Ferguson Plc	WH Smith	Future plc
Date of vote	10 March 2022	19 January 2022	3 February 2022
Summary of the resolution	Transfer Ferguson’s listing from London to the New York Stock Exchange.	Proposed changes to the company’s remuneration policy this year included an increase in bonus opportunity – 130% to 160% of salary – for its chief financial officer (CFO), and a possibility of up to 20% of the maximum bonus opportunity to be payable when financial thresholds have not been met	A VCP (Value Creation Plan) introduced in 2021, based on a single absolute measure which may fall outside of management control and although the plan is capped, it has the potential to lead to outsized pay-outs for executives.
How the manager voted	Against	Against	Against
Rationale for the voting decision	The board cited the company’s revenues and profits being entirely generated in North America – a result of the sale of Ferguson’s UK Wolseley business to a private equity firm in 2021 – as the rationale for the change of listing, as well as the fact that a large number of the company’s executive team are based in the US. While RLAM acknowledge the	RLAM have decided to vote against the company’s remuneration report this year, due to concerns over the limited degree of downwards discretion ultimately applied by the remuneration committee and the resulting bonus pay-out levels, given the wider stakeholder experience during the year under review.	RLAM expressed preference for more clarity around other metrics that could potentially come into play at the time the committee will assess final performance for the purposes of the VCP, with a push for increased and formalised disclosures needed in this area.

	Vote 1	Vote 2	Vote 3
	rationale, on balance it does not view it to be in clients' interests to support the proposal at this time.		
Outcome of the vote	Passed. The resolution received 95.49% support.	Passed. The resolution received 54.4% support.	55% of shareholders also opposed this resolution.
Implications of the outcome	On 22 May 2022, Ferguson plc announced that its primary listing is now the New York Stock Exchange. Ferguson's shares remain eligible for and continue to trade on the Main Market of the London Stock Exchange as a standard listing, instead of a premium listing.	The board acknowledged the results and mentioned that the new chair of the remuneration committee looks forward to continuing the constructive discussions with shareholders over the coming months.	The company confirmed that it will keep an open dialogue on this matter and will keep RLAM informed on the upcoming short-term incentive changes.

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	Berkshire Hathaway Inc.	Whitehaven Coal Limited	Fortescue Metals Group Ltd.
Date of vote	1 May 2021	27 October 2021	9 November 2021
Summary of the resolution	Report on Climate-Related Risks and Opportunities	Approve the Amendments to the Company's Constitution	Approve Support for Improvement to Western Australian Cultural Heritage Protection Law
How the manager voted	For	Against	Against
Rationale for the voting decision	The company does not meet Blackrock's expectations for disclosing a plan for how their business model will be compatible with a low-carbon economy. In addition, the company does not meet Blackrock's expectations for disclosure of natural capital policies and/or risk.	Blackrock reports that the disclosure does not provide sufficient understanding of the company's remuneration policies and the link between performance-based pay and company performance.	Blackrock reports that the request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company
Outcome of the vote	Fail	Fail	Withdrawn

BlackRock Investment Management, ACS UK Equity Fund

	Vote 1	Vote 2	Vote 3
Company name	BP Plc	Chevron Corporation	Barclays Plc
Date of vote	12 May 2021	26 May 2021	5 May 2021
Summary of the resolution	Approve Shareholder Resolution on Climate Change Targets	Reduce Scope 3 Emissions	Approve Market Forces Requisitioned Resolution
How the manager voted	For	For	Abstain
Rationale for the voting decision	BlackRock recognises the company's efforts to date but believe that supporting the proposal may accelerate the company's progress on climate risk management and/or oversight.	BlackRock supported this shareholder proposal, while recognizing the company's efforts to date, because it is consistent with what it expects of large companies like Chevron and its peers. BlackRock believes that companies in carbon intensive industries should aim to set scope 3 emissions reduction targets. It is particularly important to assume responsibility, where reasonable, for the complete emissions profile of the company as the world transitions to a low carbon economy	BlackRock is supportive of the broad ask of the resolution. However, the imprecise and ambiguous wording means that BlackRock is unable to support it, particularly as the resolution is legally binding. They therefore abstained from the vote on this resolution. BlackRock, however, recognizes Barclays' recent progress aligning its activities with the goals of the Paris Agreement. At the same time, it is in agreement with the ask of the resolution, regarding closer alignment with the goals of the Paris Agreement.
Outcome of the vote	Fail	Passed	Fail

BlackRock Investment Management, ACS World ex UK Equity Fund

	Vote 1	Vote 2	Vote 3
Company name	Dow Inc.	Exxon Mobil Corporation	Origin Energy Limited
Date of vote	15 April 2021	26 May 2021	20 October 2021
Summary of the resolution	Provide Right to Act by Written Consent	Report on Political Contributions	Water Resolution - Shareholders request that the Company, before undertaking any further shale oil and gas exploration and/or production, commit to: <ol style="list-style-type: none"> 1. surveying the Company's entire license areas to establish a baseline of water quality; 2. consulting with Traditional Owners and their family groups on all cultural water flows to establish connectedness; and

	Vote 1	Vote 2	Vote 3
			3. make the methodology, findings, and recommendations of this research public.
How the manager voted	Against	Against	Against
Rationale for the voting decision	BlackRock believe shareholders should have the right to act without waiting for the company to call a shareholder meeting. At this company, shareholders already have the right to act by calling a special meeting.	BlackRock reports that the company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures.	BlackRock believes the company already has policies in place to address these issues.
Outcome of the vote	Fail	Fail	Fail

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. Royal London have confirmed that its engagements are done at a firm level, rather than at fund level, however, the information has been provided over the year to 31 March 2022, whereas in previous year's this was only provided during a calendar year.

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*
Number of engagements in the year	296	2,967	4,646
Number of individual companies engaged	222	1,877	2,858

**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

During the period, the Trustees have reviewed the current Scheme and provider, and decided to close the Scheme and transfer all accrued benefits to a new scheme within a DC Master Trust provided by Legal & General (L&G). The bulk transfer to L&G is expected to be finalised in 2023.

As part of this review the Trustees considered the default investment strategy and self-select options available within the new scheme, along with a range of other factors including L&G's approach to stewardship and engagement.

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 July 2021 to allow for an update to the Scheme's self-select range.

Monitoring of Investment Managers

The Trustees created an investment sub-committee (ISC) which first met in June 2021, and continued to meet quarterly during the year under review. The Committee discusses the performance of investment managers in the context of wider markets, and considering their performance 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 and Trustee meetings.

The Trustees have made no new manager appointments within the default strategy over the year. However, they have made the decision to move to a new provider. This is expected to be completed during the next Scheme year.

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.

Prepared by the Trustees of the Irwin Mitchell 1989 Pension Scheme

October 2022