

# Engagement Policy Implementation Statement (“EPIS”)

## Stanplan F – Thomas Saunders Partnership Limited (the “Scheme”)

### Scheme Year End – 30 April 2025

The purpose of the EPIS is for Entrust Pension Limited, the Trustee of the Scheme, to demonstrate the actions taken during the Scheme Year to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”).

The contents of this EPIS include:

1. How the Trustee’s policies in the SIP covering asset stewardship (including both voting and engagement activity) in relation to the Scheme’s investments have been followed during the year; and
2. How the Trustee has exercised its voting rights or how these rights have been exercised on the Trustee’s behalf, including the use of any proxy voting advisory services, and the ‘most significant’ votes cast over the reporting year.

### Trustee conclusion

**Based on the activity undertaken during the year, the Trustee is of the view that the policies set out in the SIP have been implemented effectively.**

In the view of the Trustee, all the Scheme’s material investment managers were able to disclose good evidence of voting and engagement activity, meaning that the activities completed by our managers align with the Trustee’s stewardship expectations.

The Trustee delegates the management of some of the Scheme’s assets to its fiduciary manager, Aon Investments Limited (“AIL”). The Trustee believes that the activities completed by AIL to review the underlying managers’ voting and engagement policies, and activities align with The Trustee’s stewardship expectations. The Trustee believes its voting rights have been implemented effectively on its behalf.

### **Summary of the Trustee Engagement Action Plan**

All of the underlying investment managers were able to provide all the engagement information requested by AIL and AIL will continue to engage with these managers to ensure the quality of their reporting is maintained or improved. Further detail is set out in the Trustee Engagement Action Plan.

## How voting and engagement policies have been followed

The Scheme is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Scheme's investment managers, which is in line with the policies set out in our SIP. The Trustee does not directly engage or cooperate with managers or other institutional investors on ESG issues. The Trustee delegates this responsibility to AIL to engage with fund managers as part of portfolio construction.

The Trustee has reviewed the stewardship activity of the material underlying investment managers over the Scheme year and in its view, most of the investment managers were able to disclose good evidence of voting and/or engagement activity. More information on the stewardship activity carried out by the Scheme's investment managers can be found in the following sections.

### **Responsible Investment (RI) policy development**

The Trustee's RI policy was created following an exercise to collate the individual views of the Trustee's team with respect to different RI issues. The Trustee reviewed the conclusions from this exercise alongside the features of the Scheme and its investment arrangements to help it formally establish its RI views, beliefs and objectives. This exercise resulted in the establishment of a stand-alone RI policy by the Trustee.

### **Ongoing monitoring**

The Trustee receives in depth portfolio updates from AIL at quarterly Trustee meetings, covering investment performance, portfolio positioning and topical updates, including ESG-related updates.

Each year, usually at one of its quarterly Trustee meetings, the Trustee reviews the annual stewardship report provided by AIL. This sets out detailed voting and engagement commentary for each underlying investment manager within the fiduciary investment portfolio and, alongside this EPIS, allows the Trustee to assess the actions taken by the AIL-appointed investment managers over the year.

### **Sponsor consultation**

The Trustee believes that the views of the sponsor, where applicable, should be aligned to the Scheme's RI policy and objectives. The sponsor is consulted with any amendments to the SIP.

The Scheme's stewardship policy can be found in the SIP: [Statement of Investment Principle Stanplan F – The Thomas Saunders Partnership Limited - Gateley \(gateleyplc.com\)](#)

## What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which Environmental Social Governance ("ESG") issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

*Source: UN PRI*

## Trustee Engagement Action Plan

Based on the work done for the EPIS, the Trustee has decided to take the following steps over the next 12 months:

1. Whilst L&G provided all information required, there were some issues with the way in which this was reported in comparison to industry peers. We will engage with the manager via AIL in order to encourage better transparency and reporting practices going forwards.
2. The Trustee will invite an RI specialist from AIL to a meeting to continue monitoring how AIL is monitoring voting and engagement practices, and how these help the Trustee fulfil its policies.
3. The Trustee will continue to undertake an annual review of the AIL stewardship report and evaluate how the underlying investment managers' RI policies align with those of the Trustee.

### What is the Engagement Action Plan?

In preparing the Engagement Policy Implementation Statement, AIL and the Trustee have discovered specific areas where they would like to see improvement over time.

The Engagement Action Plan sets out specific issues that AIL and the Trustee will look to address over the forthcoming year, as well ongoing commitments around ESG monitoring and reporting.

## Fiduciary manager's engagement activity

As set out in the Scheme's SIP, the Trustee invests the Scheme's assets in AIL's fiduciary management platform. Under this arrangement, the implementation of the Scheme's investment strategy is delegated to AIL, acting within parameters set by the Trustee.

The Scheme's assets may be invested in a combination of return-seeking funds including the the Diversified Liquid Credit Strategy as well as, four "Fruition" funds which contain growth assets and liability matching assets. The strategic allocation to each fund is determined by the target level of return, and target hedging of interest rates and inflation.

The underlying investment managers within each selected fund are appointed by AIL, based on AIL's best ideas and due diligence processes.

The Trustee delegates monitoring of ESG integration and stewardship of the underlying managers to AIL. The Trustee has reviewed AIL's latest annual Stewardship Report, and believes it shows that AIL is using its resources to effectively influence positive outcomes in the funds in which it invests.

Over the year, AIL held several engagement meetings with many of the underlying managers in its funds. At these meetings, AIL discussed ESG integration, stewardship, climate, biodiversity, and modern slavery with the investment managers, and provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

Over the year, AIL also engaged with the industry through white papers, working groups, webinars, and network events, as well as responding to multiple consultations.

AIL has a net zero commitment to deliver UK delegated investment portfolios and default strategies which have a net zero carbon emissions profile by 2050.

AIL also successfully renewed its signatory status to the 2020 UK Stewardship Code.

### What is fiduciary management?

Fiduciary management is the delegation of some, or all, of the day-to-day investment decisions and implementation to a fiduciary manager. But the trustees still retain responsibility for setting the high-level investment strategy.

In fiduciary management arrangements, the trustees will often delegate monitoring ESG integration and asset stewardship to its fiduciary manager.

## Managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. The Trustee believes that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. The Trustee expects the Scheme's equity-owning investment managers to responsibly exercise their voting rights.

### Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

## Voting statistics

The table below shows the voting statistics for each of the Scheme's material funds with voting rights for the year to 31 March 2025. Managers collate voting information on a quarterly basis. The voting information provided is for the year to 31 March 2025, the closest quarter-end to the Scheme Year end.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
Legal and General Asset Management ("L&G") - Multi-Factor Equity Fund	11,446	99.8%	20.8%	0.4%
UBS Global Asset Management ("UBS") - Global Equity Climate Transition Fund	12,234	93.0%	8.1%	0.1%

Source: Investment Managers. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote.

## Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the Scheme's managers use proxy voting advisers.

### Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

Managers	Description of use of proxy voting advisers (in the managers' own words)
L&G	L&G's Investment Stewardship team uses Institutional Shareholder Services' ('ISS') 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by L&G and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.
UBS	UBS retains the services of ISS for the physical exercise of voting rights and for supporting voting research. UBS retains full discretion when determining how to vote at shareholder meetings.

Source: Investment Managers

## Significant voting examples

To illustrate the voting activity being carried out on the Trustee's behalf, AIL asked the Scheme's investment managers to provide a selection of what they consider to be the most significant votes in relation to the Scheme's funds. A sample of these significant votes can be found in the appendix.

## Managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Scheme's material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e. is not necessarily specific to the funds invested in by the Scheme.

Funds	Number of engagements		Themes engaged on at a fund level
	Fund level	Firm level	
L&G - Multi-Factor Equity Fund	682	4,399	Environment - Climate Impact Pledge, Climate Change, Deforestation Social - Human Rights, Gender Diversity, Income Inequality Governance - Capital Management; Remuneration, Board Composition Other - Corporate Strategy, Regulation
UBS - Global Equity Climate Transition Fund	174	425	Environment - Climate Change, Natural resource use/impact, Pollution, Waste Social - Human and labour rights, Human capital management Governance - Remuneration; Board Effectiveness - Other; Leadership - Chair/CEO Strategy, Financial & Reporting - Capital Allocation, Financial performance
Aberdeen - Climate Transition Bond Fund	104	1,868	Environment - Climate; Other Environment Related Social - Human Rights & Stakeholders Governance - Corporate Governance; Corporate Behaviour
Aegon Asset Management ("Aegon") - European Asset Backed Securities ("ABS") Fund	115	422	Environment - Climate Change Social - Human and Labour Rights Governance - Leadership - Chair/CEO; Remuneration Other - General Disclosure
Robeco - Credit Income Fund	12	324	Environment - Climate Change Social - Human and Labour Rights Governance - Shareholder Rights; Board Effectiveness - Other
Janus Henderson - ABS Fund	50	716	Environment - Climate Change; Climate Risk Analysis Social - Human and Labour Rights; Inequality Strategy, Financial & Reporting - Reporting, Risk management

Source: Investment Managers

## Data limitations

At the time of writing, L&G has provided firm level engagement information, however, the reporting methodology for the number of engagements is out of line with what we view as industry best practice and as compared to peers.

This report does not include commentary on the Scheme's investment in gilts and cash because of the limited materiality of stewardship to these asset classes. Further, this report does not cover any additional voluntary contributions ("AVCs").

## Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by the Scheme's managers. The Trustee considers a significant vote to be one which the relevant investment manager deems significant, based on its own criteria. Investment managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below:

<b>L&amp;G - Multi-Factor Equity Fund</b>	<b>Company name</b>	Wells Fargo & Company
	<b>Date of vote</b>	30 April 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	0.5
	<b>Summary of the resolution</b>	Resolution 7: Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining Rights
	<b>How you voted?</b>	Votes supporting resolution
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	L&G publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	<b>Rationale for the voting decision</b>	Shareholder Resolution - Labour rights: A vote in favour is applied as L&G supports proposals that are set to improve human rights standards and employee policies because we consider this issue to be a material risk to companies.
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	L&G will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	<b>On which criteria have you assessed this vote to be most significant?</b>	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.
	<b>Outcome of the vote</b>	Fail
<b>UBS - Global Equity Climate Transition Fund</b>	<b>Company name</b>	Bank of America Corporation
	<b>Date of vote</b>	24 April 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	Not provided
	<b>Summary of the resolution</b>	Report on Clean Energy Supply Financing Ratio
	<b>How you voted?</b>	Votes supporting resolution
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	No
	<b>Rationale for the voting decision</b>	We will support proposals that seek to promote greater disclosure and transparency in corporate environmental policies as long as: a) the issues are not already effectively dealt with through legislation or regulation; b) the company has not already responded in a sufficient manner; and c) the proposal is not unduly burdensome or overly prescriptive.
	<b>Outcome of the vote</b>	Fail
	<b>Outcome of the vote</b>	Fail



**Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?**

Given strong shareholder support, we shall monitor further developments.

**On which criteria have you assessed this vote to be most significant?**

Aggregate percentage of votes in support of resolution exceeded 25% of votes cast.

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*Source: Investment Managers*