

Engagement Policy Implementation Statement (“EPIS”)

Stanplan F – NOV Fiberglass Systems (the “Scheme”)

Scheme Year End – 31 December 2023

The purpose of the EPIS is for Entrust Pension Limited, as Trustee of the Scheme, to explain what actions have been taken during the Scheme Year to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. How the Trustee’s policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Scheme’s investments have been followed during the year; and
2. An explanation of why the exercise of voting rights, including the use of proxy advisory services, and the most ‘significant votes’ cast over the Scheme Year have not been considered.

The Trustee’s conclusion

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

During Q2 2023 the Trustee secured an Annuity policy with Just Group plc (the “Insurer”). Hence, most of the Scheme’s assets are invested with the Insurer in an Annuity Policy as at 31 December 2023. Any remaining holdings are held as cash in the Trustee bank account. There are therefore no equity holdings for which voting analysis should take place.

This EPIS does not disclose stewardship information on investments in cash due to the limited materiality of stewardship of these asset classes.

How voting and engagement policies have been followed

The majority of the assets are invested in an annuity policy underwritten by the Insurer. The Scheme's remaining assets are held in the form of cash in the Trustee bank account. The Trustee acknowledges the limited materiality of stewardship for the residual assets that remain in the Trustee bank account.

At the Scheme Year End, there were no invested assets for which the Trustee has voting rights. Voting analysis has therefore not been considered as part of this EPIS.

Furthermore, this report does not include the additional voluntary contributions ("AVCs").

The Scheme's stewardship policy can be found in the SIP: [Statement of Investment Principle Stanplan F – NOV Fiber Glass Systems B.V. - Gateley \(gateleyplc.com\)](https://www.gateleyplc.com/investment-principle-stanplan-f-nov-fiber-glass-systems-b.v.-gateley)

The Trustee's Engagement Action Plan

The responsibility for managing arrangements with underlying investment managers lies with the Insurer. This responsibility may include ensuring that arrangements with appointed asset managers are aligned to achieving the long-term objectives of the Insurer; as well as having appropriate performance, costs (including turnover costs), and remuneration monitoring with respect to the appointed asset managers. In addition, the Trustee expects that the Insurer uses its influence and purchasing power (where possible) to ensure that Environmental, Social, and corporate Governance ("ESG") factors, including climate change, are appropriately considered by underlying investment managers and financial counterparties.

The Trustee has limited ability to incentivise the Insurer to align its investment strategy and decisions with its policies in relation to stewardship, corporate governance, and responsible investment. However, given the nature of the buy-in policies, such as the Annuity Policy purchased by the Scheme, the Trustee believes that the Insurer is appropriately incentivised to make decisions relating to the medium and long-term financial and non-financial factors which may influence performance.

The Trustee recognises its responsibilities as a steward of investment capital; however, in endeavouring to invest in the best financial interests of the beneficiaries, the Trustee elected to purchase the Annuity Policy and recognises that it cannot, therefore, directly influence the ESG integration nor stewardship policies and practices of the Insurer.

Should the Trustee be provided with any opportunity which it deems appropriate to incentivise managers and the Insurer concerning these areas, the Trustee will consider this and take reasonable steps to do so.

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 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