

# Veitchi (Holdings) Limited Retirement Benefits Scheme

## Statement of Investment Principles - Implementation Statement

The purpose of this Statement is to provide information, which is required to be disclosed in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment) 2019 Regulations. In particular, it confirms how the investment principles, objectives and policies of the Trustees' Statement of Investment Principles (SIP) have been implemented. The SIP provides further background details on investment arrangements.

This Statement covers the period from 1 December 2019 to 30 November 2020.

### Investment managers and funds

Asset Class	Fund	Allocation
Multi Asset	BNY Mellon Real Return	30%
	Baillie Gifford Multi Asset Growth	15%
	Ruffer Absolute Return	15%
Corporate Bonds	Royal London Extra Yield	18%
Hedging	Legal & General Real Long Duration	22%

### Strategy Review

There have been no changes to the investment managers or asset allocations over the year.

### Scheme Governance

The Trustees are responsible for making investment decisions, and seeks advice from Simon Jagger of Jagger & Associates Ltd., as being a suitably qualified individual. There were no changes to the investment management agreements during the year.

### Statement of Investment Principles

The Trustees last reviewed the SIP in September 2020. It was previously updated April 2019. In endeavouring to invest in the best financial interests of the beneficiaries, the Trustees have elected to invest in pooled funds and cannot therefore in general directly influence the environmental, social, and governance (ESG) policies and practices of the companies in which the pooled funds invest. The Trustees exclude non-financial matters in the selection, retention and realisation of investments. The Trustees have no formal policy on either ESG or delegation of voting rights. Instead, they have delegated the responsibility for these matters to their investment managers, who will from time to time report on their current and future actions in these areas as follows:

- BNY Mellon issue a fund-specific quarterly ESG report.
- Baillie Gifford cover ESG in their client-specific quarterly report.
- Ruffer report quarterly on ESG at the overall firm level.
- Royal London issue a quarterly ESG report at the asset class level
- L&G report quarterly at the overall firm level, but as the Scheme only holds a gilt-based fund, the ESG policies in place at L&G are not currently of direct relevance. However, they could become relevant if the Scheme were to hold, say, an L&G investment grade corporate bond fund.

The only investments where voting rights are applicable for this Scheme are any underlying equity holdings within the Multi Asset funds at BNY Mellon, Baillie Gifford and Ruffer.

The asset managers are not incentivised to align their investment strategy and decisions with the Trustees' policies, nor are they incentivised to make decisions based on assessments about medium to long-term performance of an issuer of debt or equity, nor to engage with those issuers in order to improve their performance. However, the managers may make such decisions and/or engage of their own accord. As they invest in pooled funds, the Trustees do not need to have an engagement policy in relation to monitoring the capital structure of companies they invest in, or any associated potential conflicts of interest.

Signed: Allan Martin

Date: 29 September 2021

On behalf of the Trustees of the Veitchi (Holdings) Limited Retirement Benefits Scheme