

Implementation Statement, covering the Plan Year from 6 April 2023 to 5 April 2024 (the “Plan Year”)

The Trustee of the Senior plc Pension Plan (the “Plan”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the voting and engagement policies in its Statement of Investment Principles (“SIP”) during the Plan Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Plan Year by, and on behalf of, Trustees (including the most significant votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

In preparing the Statement, the Trustee has had regard to the [guidance](#) on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions (“DWP’s guidance”) in June 2022.

1. Introduction

No changes were made to the voting and engagement policies in the SIP during the Plan Year. The last time these policies were formally reviewed was as part of the most recent review of the SIP in September 2022.

The Trustee has, in its opinion, followed the Plan’s voting and engagement policies during the Plan Year.

2. Voting and engagement

The Trustee has delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement. Over the Plan Year the Plan held its assets with a single manager, Legal & General Investment Management Limited (“LGIM”). Its policy is:

- [L&G - UK Corporate governance and responsible investment policy](#)

However, the Trustee takes ownership of the Plan’s stewardship by monitoring and engaging with managers and escalating as necessary as detailed below.

As part of its advice on the selection and ongoing review of the investment managers, the Plan’s investment adviser, Lane Clark & Peacock LLP (“LCP”), incorporates its assessment of the nature and effectiveness of managers’ approaches to voting and engagement.

Following the introduction of DWP’s guidance, in the previous Plan Year ending 5 April 2023 the Trustee agreed to set stewardship priorities to focus monitoring and engagement with its investment manager on specific ESG factors. In Q1 2023, the Trustee discussed and agreed stewardship priorities for the Plan which were: climate change, diversity, equity & inclusion, and business ethics. These priorities remained for the Plan Year ending 5 April 2024.

These priorities were selected because the Trustee views these issues as market-wide areas of risk that are financially material for the investments and can be addressed by good stewardship. Therefore, the Trustee believes it is in the members’ best interests that the Plan’s manager adopts strong practices in these areas.

The Trustee is conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve. Therefore, the Trustee aims to have an ongoing dialogue with its manager to clarify expectations and encourage improvements.

3. Description of voting behaviour during the Plan Year

Over the Plan Year to 5 April 2024, the Plan did not hold any listed equities either directly or via pooled funds.

Over the Plan Year, the Plan held assets with LGIM in a range of Liability Driven Investment Funds, credit funds, and a liquidity fund, none of which held listed equities.

In this section on voting behaviour, we have included data provided by the Plan’s investment manager for funds which don’t hold listed equities, but invested in assets that had voting opportunities during the period:

- LGIM Buy and Maintain Credit Fund

LGIM are unable to provide voting information to non-quarter ends. We have therefore included voting data for the above listed fund over the 12 months to 31 March 2024.

3.1 Description of the voting processes

For assets with voting rights, the Trustee relies on the voting policies which its manager has in place. A description of the voting and engagement policy in place during the Plan Year is as follows:

LGIM

LGIM's voting and engagement activities are driven by its environmental, social and governance ("ESG") professionals and its assessment of the requirements in these areas, aiming to achieve the best outcome for clients. LGIM's voting policies are reviewed annually and take into account feedback from clients. Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as it continues to develop its voting and engagement policies and define strategic priorities in the years ahead. LGIM also take into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries.

All decisions are made by LGIM's Investment Stewardship team and in accordance with their relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant companies.

The Investment Stewardship team use third parties to augment their own research and proprietary ESG assessment tools when making specific voting decisions.

To ensure its proxy provider votes in accordance with their position on ESG, LGIM has put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what it considers to be minimum best practice standards. LGIM retains the ability in all markets to override any vote decisions. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report). LGIM has strict monitoring controls to ensure its votes are executed in accordance with its voting policies by its proxy voting service providers. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform of rejected votes which require further action.

3.2 Summary of voting behaviour for listed equities

No listed equities were held over the Plan Year.

3.3 Most significant votes

Given none of the funds the Plan invested in over the Plan Year held listed equities, there are no significant votes to report on.

3.4 Votes in relation to assets other than listed equity

The LGIM Buy & Maintain Credit Fund (£18m invested at the end of the Plan Year), which does not hold listed equities, had two voting opportunities over the Plan Year. In both cases, LGIM voted with management proposals / recommendations.