

GATE GOURMET LONDON MANAGEMENT PENSION SCHEME YEAR ENDED 5 APRIL 2020

IMPLEMENTATION STATEMENT

Introduction

The Trustees of the Gate Gourmet London Pension Scheme (the 'Scheme') have a fiduciary duty to consider their approach to the stewardship of the investments, to maximise financial returns for the benefit of members and beneficiaries over the long term. The Trustees can promote an investment's long-term success through monitoring, engagement and/or voting, either directly or through their investment managers.

This statement sets out how, and the extent to which, in the opinion of the Trustees, the policies (set out in the Statement of Investment Principles) on the exercise of rights (including voting rights) attaching to the investments, and engagement activities have been followed during the year ending 5 April 2020. This statement also describes the voting behaviour by, or on behalf of, the Trustees.

The Trustees, in conjunction with their investment consultant, appoints their investment managers and choose the specific pooled funds to use in order to meet specific Scheme policies.

The Trustees expect the investment managers, where appropriate, to have taken account of financially material considerations, including environmental, social and governance (ESG) factors as part of their investment analysis and decision-making process. The financial interests of the Scheme members are the Trustees' first priority when choosing investments. The Trustees will take members' preferences into account if they consider it appropriate to do so. During the year, the Trustees received training from their investment consultant on ESG issues, including stewardship and engagement.

Stewardship - monitoring and engagement

The Trustees recognise that investment managers' ability to influence the companies in which they invest will depend on the nature of the investment.

The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage the managers to exercise those rights. The investment managers are expected to provide regular reports for the Trustees detailing their voting activity.

The Trustees' also delegate responsibility for engaging and monitoring investee companies to the investment managers and expects the investment managers to use their discretion to maximise financial returns for members and others over the long term.

As all of the investments are held in pooled vehicles, the Trustees do not envisage being directly involved with peer to peer engagement in investee companies.

Investment manager engagement policies

The Scheme's investment managers are expected to have developed and publicly disclosed an engagement policy. This policy, amongst other things, provides the Trustees with information on how the investment managers engage in dialogue with the companies it invests in and how it exercises voting rights. It also provides details on the investment approach taken by the investment manager when considering relevant factors of the investee companies, such as strategy, financial and non-financial performance and risk, and applicable social, environmental and corporate governance aspects.

Links to each investment manager's engagement policy or suitable alternative is provided in the Appendix.

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IMPLEMENTATION STATEMENT (Continued)

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Exercising rights and responsibilities

The Trustees recognise that different investment managers should not be expected to exercise stewardship in an identical way, or to the same intensity.

The investment managers are expected to disclose annually a general description of their voting behaviour, an explanation of the most significant votes cast and report on the use of proxy voting advisers.

All investment managers use proxy advisers for the purposes of providing research, advice or voting recommendations that relate to the exercise of voting rights.

The Trustees do not carry out a detailed review of the votes cast by or on behalf of their investment managers but rely on the requirement for their investment managers to provide a high-level analysis of their voting behaviour.

The Trustees consider the proportion of votes cast, and the proportion of votes against management to be an important (but not the only) consideration of investor behaviour.

The latest available information provided by the investment managers are as follows:

Investment manager	Period	Proportion of votes cast	Proportion of votes against management
Fisher Investments	Year to 31/12/2019	98%	7%
Janus Henderson Investors*	Not applicable	Not applicable	Not applicable
Legal & General Investment Management	Year to 31/12/2019	96%	17%
M&G Investments	Year to 31/12/2019	90%	6%
Partners Group	Year to 31/3/2020	100%	6%

*Not applicable due to the fund invested in not having voting rights as a debt investor

Trustees' assessment

The Trustees will be undertaking a detailed review of each manager's environmental, social and governance policies or their voting and engagement activities and accept that the way in which

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IMPLEMENTATION STATEMENT (Continued)

investment managers exercise their rights and engagement activities may differ from the Trustees' policies as set out in the Statement of Investment Principles.

The Trustees recognise that engagement and voting policies, practices and reporting, will continue to evolve over time and intend to review the way in which they monitor and engage with their investment managers over the next year.

Appendix

Links to the Engagement Policies for each of the investment managers can be found here:

Investment manager	Engagement Policy (or suitable alternative)
Fisher Investments	https://www.fisherinvestments.com/en-gb/shareholder-engagement-policy
Legal & General Investment Management	https://www.lgim.com/landg-assets/lgim/document-library/capabilities/lgim-engagement-policy.pdf
Janus Henderson Investors	https://cdn.janushenderson.com/webdocs/2019+ESG+Company+Engagement+%26+Voting+Review.pdf
Partners Group	https://www.partnersgroup.com/en/sustainability/we-are-responsible-investors/our-policy-and-methodology/
M&G Investments	https://docs.mandg.com/docs/corporate/MandG-Shareholder-Rights-Directive-Engagement-Policy.pdf
