

Gate Gourmet London Management Pension Scheme

Engagement Policy Implementation Statement for the year ending 5 April 2024

Introduction

The Trustees of the Gate Gourmet London Management 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 manager.

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 2024. This statement also describes the voting behaviour by, or on behalf of, the Trustees.

The Trustees, in conjunction with the investment consultant, appoint each investment manager and choose the specific pooled funds to use in order to meet specific policies. They expect that each investment manager makes decisions based on assessments about the financial and non-financial performance of underlying investments (including environmental, social and governance (ESG) factors, and that they engage with issuers of debt or equity to improve their performance (and thereby the Scheme's performance) over an appropriate time horizon.

The Trustees also expect each investment manager to take non-financial matters into account as long as the decision does not involve a risk of significant detriment to members' financial interests.

Stewardship - monitoring and engagement

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

The Trustees acknowledge that the concept of stewardship may be less applicable to some of their assets, particularly for short-term money market instruments, gilt and liability-driven investments. As such the Scheme's investments in these asset classes are not covered by this engagement policy implementation statement.

The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment manager and to encourage the manager to exercise those rights. The investment manager is 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 manager and expect the investment manager to use their discretion to maximise financial returns for members and others over the long term.

The Trustees seek to appoint a manager that has strong stewardship policies and processes and are supportive of their investment manager being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020. Details of the signatory status of the investment manager is shown below:

Investment manager	UN PRI Signatory	UK Stewardship Code Signatory
LGIM	Yes	Yes

The Trustees have not set out their own stewardship priorities but follow that of the investment manager.

If the Trustees find any manager's policies or behaviour unacceptable, they may agree an alternative mandate with the manager or decide to review or replace the manager.

As 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 manager is expected to have developed and publicly disclosed an engagement policy. This policy, amongst other things, provides the Trustees with information on how the investment manager 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.

The Trustees are comfortable that these policies are broadly in line with the Scheme's chosen stewardship approach.

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

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 manager is 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.

The investment manager uses 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 manager but rely on the requirement for their investment manager 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 and believe this to be an important (but not the only) consideration of investor behaviour.

As at the year end, the Scheme does not have any funds that invest in equities or corporate bonds.

Trustees' assessment

The Trustees have, in their opinion, followed the Scheme's voting and engagement policies during the year, by continuing to delegate to the investment manager, the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes.

The Trustees have undertaken a review of the investment manager's engagement policy including their policies in relation to financially material considerations and have found them to be acceptable at the current time.

The Trustees have reviewed the significant voting and engagement behaviour of the investment manager as part of preparing this statement and believe that this is broadly in line with the investment manager's stated policies and has not diverged significantly from any independent stewardship priorities identified for the Scheme. The Trustees recognise that engagement and voting policies, practices and reporting, will continue to evolve over time and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020.

Appendix

A link to the engagement policy for the investment manager can be found here:

Investment manager	Engagement policy
LGIM	https://www.lgim.com/landg-assets/lgim/document-library/capabilities/lgim-engagement-policy.pdf