

Tulip Limited Pension Plan

Engagement Policy Implementation Statement for the year ending 30 June 2020

Introduction

The Trustees of the Tulip Limited Pension Plan (the 'Plan') have a fiduciary duty to consider their approach to the stewardship of their 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 30 June 2020. This statement also describes the voting behaviour by, or on behalf of, the Trustees.

The Trustees, in conjunction with their investment consultant, appoint their investment managers to meet specific Plan policy objectives. They expect their investment managers to make decisions based on assessments about the financial performance of the underlying investments, and that they engage with issuers of debt or equity to improve their performance (and thereby the Plan's performance) over an appropriate time horizon.

The Trustees have decided not to take non-financial matters into account when considering their policy objectives.

During the year, the Trustees received training from their investment consultant on ESG issues, including stewardship and the engagement policy implementation statement.

The Trustees have also received the following additional training over the period:

Date	Provider	Subject
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October 2020

Buck UK

Asset Class Training

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 their investment managers and expect the investment managers to use their discretion to maximise financial returns for members and others over the long term.

As the majority of 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 Plan's investment managers 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.

A link to the investment managers' engagement policies or suitable alternatives are provided in the appendix. The policies are also publicly available on the investment managers' websites.

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.

The investment managers publish online the overall voting records of the firm on a regular basis.

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

Investment manager	Period	Proportion of votes against management proposals
State Street Global Advisors	Q2 2020	14.3%
	Q1 2020	17.2%
	Q4 2019	16.9%
	Q3 2019	17.0%
Ninety One	2019	6%

Trustees' assessment

The Trustees have undertaken a review of the investment managers' engagement policy including their policies in relation to financially material considerations.

The Trustees have considered the environmental, social and governance rating for each fund/investment manager provided by the investment consultant, which includes consideration of voting and/or engagement activities. This also includes those funds that do not hold listed equities.

Where an investment manager has received a relatively low rating from the investment consultant, the Trustees will consider whether to engage with the investment manager.

The Trustees have reviewed the investment managers' policies relating to engagement and voting and how they have been implemented and have found them to be acceptable at the current time.

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

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

Investment manager	Engagement Policy (or suitable alternative)
State Street Global Advisors	https://www.ssga.com/library-content/pdfs/ic/proxy-voting-and-engagement-guidelines-principle.pdf
Ninety One	https://weare.ninetyone.com/l/28902/2020-06-23/8wr3mz
Legal & General Investment Management	https://www.lgim.com/landg-assets/lgim/document-library/capabilities/lgim-engagement-policy.pdf