

**Implementation Statement for the year to 31 March 2021**  
**Trafford Park Printers 1990 Pension Scheme ('the Scheme')**

**Introduction**

This statement describes the voting and engagement policies the Trustees of the Trafford Park Printers 1990 Pension Scheme (the Trustees) along with a summary of voting and engagement behaviour related to the Scheme's investments over the 12-month period to 31 March 2021.

This Implementation Report is to provide evidence that the Scheme continues to follow and act on the principles outlined in the Statement of Investment Principles signed 21 October 2020 ('the SIP'). This report details:

- Actions the Trustees have taken to manage financially material risks and implement the key policies in the SIP;
- The current policy and approach with regards to Environmental, Social and Governance (ESG) factors and the actions taken with managers on managing ESG risks; and
- The extent to which the Trustees have followed policies on engagement, covering engagement actions with their fund managers and in turn the engagement activity of the fund managers with the companies in which they invest.

**Summary of key actions undertaken over the Scheme reporting year**

The Scheme undertook a strategy review over the period. The changes agreed included:

- Novating the Scheme's assets onto the Mobius Life Platform
- Implementing new investments in Liability Driven Investments ("LDI"), Diversified Credit, Equity Linked Bonds

**Implementation Statement**

This report demonstrates that Trafford Park Printers 1990 Pension Scheme has adhered to its investment principles and its policies for managing financially material considerations including ESG factors and climate change.

## Managing risks

Risk / Policy	Definition	Policy	Actions
Interest rates	The risk of mismatch between the value of the Scheme's assets and present value of liabilities from changes in interest rates and inflation expectations.	To invest in matching assets that move in line with the present value of the Scheme's liabilities.	Over the 12 months, the Scheme invested in LDI and Equity Linked Bond funds which provide hedging against interest rates and inflation.
Liquidity	Difficulties in raising sufficient cash when required without adversely impacting the fair market value of the investment.	To maintain a sufficient allocation to liquid assets so that there is a prudent buffer to pay members benefits as they fall due (including transfer values), and to provide collateral to the LDI manager.	The Scheme novated its assets onto the Mobius Life platform – all of the funds the Scheme invests in are daily traded.
Market	Experiencing losses due to factors that affect the overall performance of the financial markets.	To remain appropriately diversified and hedge away any unrewarded risks, where practicable.	
Credit	Default on payments due as part of a financial security contract.	To diversify this risk by investing in a range of credit markets across different geographies and sectors where possible.	The Scheme invested in a Diversified Credit mandate over the period – this asset invests in many underlying holdings to diversify exposure over sector and region.
Environmental, Social and Governance	Exposure to Environmental, Social and Governance factors, including but not limited to climate change, which can impact the performance of the Scheme's investments.	To appoint managers who satisfy the following criteria, unless there is a good reason why the manager does not satisfy each criteria: 1. Has a Responsible Investment ('RI') Policy / Framework 2. Implemented via the investment process 3. A track record of using engagement and any voting rights to manage ESG factors 4. UN PRI Signatory	The ESG policies of the managers were considered during the manager selection process of the strategy review.
Currency	The potential for adverse currency movements to have an impact on the Scheme's investments.	To invest in GBP denominated share classes where possible	All of the funds the Scheme invested in over the period are GBP denominated.

Non-financial

Any factor that is not expected to have a financial impact on the Scheme's investments.

Non-financial matters are not taken into account in the selection, retention or realisation of investments.

## Changes to the SIP

### Policies added to the SIP

Date updated: 21 October 2020

<b>How the investment managers are incentivised to align their investment strategy and decisions with the Trustee's policies.</b>	<ul style="list-style-type: none"><li>• As the Scheme is invested in pooled funds, there is not scope for these funds to tailor their strategy and decisions in line with the Trustees' policies. However, the Trustees invest in a portfolio of pooled funds that are aligned to the strategic objective.</li></ul>
<b>How the investment managers are incentivised to make decisions based on assessments of medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with them to improve performance in the medium to long-term.</b>	<ul style="list-style-type: none"><li>• The Trustees review the investment managers' performance relative to medium and long-term objectives as documented in the investment management agreements.</li><li>• The Trustees monitor the investment managers' engagement and voting activity on an annual basis as part of the Implementation Statement for the Trustee report and accounts. This will first be conducted for the Scheme Accounts dated 5 April 2021. By doing this, it indirectly incentivises the investment managers to make decisions based on non-financial information.</li></ul>
<b>How the method (and time horizon) of the evaluation of investment managers' performance and the remuneration for their services are in line with the Trustee's policies.</b>	<ul style="list-style-type: none"><li>• The Trustees review the performance of all of the Scheme's investments on a net of cost basis to ensure a true measurement of performance versus investment objectives.</li></ul>
<b>The method for monitoring portfolio turnover costs incurred by investment managers and how they define and monitor targeted portfolio turnover or turnover range.</b>	<ul style="list-style-type: none"><li>• The Trustees do not directly monitor turnover costs. However, the investment managers are incentivised to minimise costs as they are measured on a net of cost basis.</li></ul>
<b>The duration of the Plan's arrangements with the investment managers</b>	<ul style="list-style-type: none"><li>• The duration of the arrangements is considered in the context of the type of fund the Scheme invests in.<ul style="list-style-type: none"><li>◦ For open-ended funds, the duration is flexible and the Trustees will from time-to-time consider the appropriateness of these investments and whether they should continue to be held.</li></ul></li></ul>

## Implementing the current ESG policy and approach

### ESG as a financially material risk

The SIP describes the Scheme's policy with regards to ESG as a financially material risk. This page details how the Scheme's ESG policy is implemented. The rest of this statement details our view of the managers, our actions for engagement and an evaluation of the stewardship activity.

The below table outlines the areas which the Scheme's investment managers are assessed on when evaluating their ESG policies and engagements. The Trustees intend to review the Scheme's ESG policies and engagements periodically to ensure they remain fit for purpose.

### Implementing the Current ESG Policy

Areas for engagement	Method for monitoring and engagement	Circumstances for additional monitoring and engagement
Environmental, Social, Corporate Governance factors and the exercising of rights and engagement activity	The Trustees receive information from their investment advisors/platform provider on the investment managers' approaches to engagement.	<ul style="list-style-type: none"><li>• The manager has not acted in accordance with their policies and frameworks.</li><li>• The manager's policies are not in line with the Trustees' policies in this area.</li></ul>

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## Engagement and Voting

Please see attached document from Mobius Life for details on engagement and voting actions including a summary of the activity for the 12 months to 31 March 2021. The platform provider also provided examples of any significant votes where possible.