

Implementation Statement, covering the Fund Year from 1 April 2022 to 31 March 2023

The Trustees of the Marubeni UK Pension and Life Assurance Fund (the “Fund”) are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed the voting and engagement policies in their Statement of Investment Principles (“SIP”) during the Fund Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Fund 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 Trustees have 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

There were no changes to the voting and engagement policies in the SIP during the Fund Year. The last time these policies were formally reviewed was September 2021.

The Trustees have, in their opinion, followed the Fund’s voting and engagement policies during the Fund Year.

2. Voting and engagement

As part of its advice on the selection and ongoing review of the investment managers, the Fund’s investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers’ approaches to voting and engagement.

Following the introduction of DWP’s guidance, the Trustees agreed to set stewardship priorities to focus monitoring and engagement with their investment managers on specific ESG factors. At the Q4 2022 meeting, the Trustees discussed and agreed stewardship priorities for the Fund which were:

- Climate change and biodiversity loss; and
- Corporate governance and business ethics.

These priorities have been selected as key market-wide risks and areas where the Trustees believe that good stewardship and engagement can improve long-term financial outcomes for the Fund’s members. These priorities were communicated to the Fund’s managers in March 2023.

The Trustees are conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve.

The Trustees primarily rely on their investment consultant, LCP, to provide updates on voting and engagement and wider stewardship and ESG issues, through regular reporting and LCP’s Responsible Investment Survey. We note that given none of the Fund’s investments are in equities, there is limited / no scope for managers to vote on issues at underlying investment companies.

3. Description of voting behaviour during the Fund Year

All of the Trustees’ holdings are within pooled funds and the Trustees have delegated to its investment managers the exercise of voting rights. Therefore, the Trustees are not able to direct how votes are exercised and the Trustees itself have not used proxy voting services over the Fund Year.

Given the Fund did not invest in any funds that held listed equities over the period, there is no relevant information on managers’ voting process, voting behaviour or information on significant votes to include in this section.

The Trustees have contacted the Fund’s other asset managers that don’t hold listed equities, to ask if any of the assets held by the Fund had voting opportunities over the Fund Year. Commentary provided from these managers is set out in Section 3.1 below.

3.1 Votes in relation to assets other than listed equity

The following comments were provided by the Fund's asset managers who don't hold listed equities, but invest in assets that may have had voting opportunities during the Fund Year:

- **BlackRock** has confirmed that the funds invested in over the period; the Sustainable Sterling Short Duration Credit Fund, Institutional Sterling Liquidity Fund, LMF Long Nominal LDI Fund and LMF Long Real LDI Fund, were not eligible for voting data during this period.
- **M&G Total Return Credit Investment Fund:** M&G confirmed that the PLSA template was not applicable for this fund as it only invests in fixed income products. M&G was able to provide details of a number of votes of consent that it deemed as significant over the period. M&G's stewardship and voting policies are available publicly online [here](#).