

Robert Horne Group Pension Scheme:

DC Section Implementation Statement (forming part of the Trustee's Report)

This statement sets out the Trustee's approach to and implementation of the ESG policies set out in the Statement of Investment Principles over the year.

How voting and engagement policies have been followed

The Scheme invests entirely in pooled funds, and as such the Trustee delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers.

At the Scheme's year-end, the Scheme's investment managers with material holding of the Scheme's assets were Aviva and Blackrock. The Trustee meets as necessary to discuss performance of the funds and update on important issues. Over this Scheme year, one of the Trustee's focuses has been on ESG and Stewardship issues, and this has been discussed with their investment advisor. The Trustee undertook training over the year on ESG and Stewardship, and agreed their policies in relation to this.

The Scheme invests entirely in pooled funds, and as such delegate responsibility for carrying out voting and engagement activities to the Fund's asset managers.

The Trustee receives reports on engagement and voting annually from their investment managers and review this to ensure alignment with their own policies. This exercise was undertaken following the accounting year-end on 31 March.

Having reviewed the above in accordance with our policies, the Trustee is comfortable the actions of the fund managers are in alignment with the Fund's ESG and Stewardship policies.

Voting Data

Voting only applies to equities held in the Scheme's investment portfolio. The Scheme has material equity holdings through its investments in the following funds:

- Aviva Pension BlackRock Passive Equity Funds
- Aviva Pension Multi-Asset Growth Fund
- Aviva Pension Stewardship Fund

The Scheme's investment managers vote on behalf of the Scheme's holdings in pooled funds.

The voting data over the year to 31 March 2020 at a manager level is shown below.

Manager	BlackRock Investment Management	Aviva ²
Fund name	BlackRock Passive Equity Funds ³	Aviva Pension Multi-Asset Growth Fund and Aviva Pension Stewardship Fund
Structure	Pooled	Pooled
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.	
Number of company meetings the manager was eligible to vote at over the year	Not Provided	Not Provided
Number of resolutions the manager was eligible to vote on over the year	Not Provided	Not Provided
Percentage of resolutions the manager voted on	97%	Not Provided
Percentage of resolutions the manager abstained from	1%	Not Provided
Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	91%	Not Provided
Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	9%	Not Provided

² The data was requested from Aviva for all the listed funds, but was not provided in a usable format. Our investment consultants are liaising with the manager to improve delivery of the data going forward, and we understand that the manager is working to improve their disclosure.

³ This includes; the Aviva Pension BlackRock (40:60) Global Equity Fund, the Aviva Pension BlackRock (50:50) Global Equity Fund, the Aviva Pension BlackRock (60:40) Global Equity Fund and the Aviva Pension BlackRock Emerging Market Fund.

Manager	BlackRock Investment Management	Aviva ²
Does the manager employ the services of a proxy voting service?	Yes, Institutional Shareholder Services ("ISS") and Glass Lewis	Not Provided
Percentage of resolutions voted contrary to the recommendation of the proxy advisor	Not Provided	Not Provided

Significant votes

The data on key voting themes over the year made on behalf of the Trustee and the key votes taken was requested from the managers, but was not always provided in a usable format. Our investment consultants are liaising with the manager to improve delivery of the data going forward, and we understand that the manager is working to improve their disclosure. We will look to update this next year, once we have the appropriate information.

Fund level engagement

Manager	BlackRock Investment Management		Aviva ⁴
Fund name	BlackRock Passive Equity Funds ⁵	BlackRock Over 15 Year Gilt Fund	Aviva Pension Multi-Asset Growth Fund, Aviva Pension Pre-Retirement Fixed Interest Fund, Aviva Pension Property Fund, Aviva Pension Stewardship Fund and Aviva Cash Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	No	Not Provided
Key strategic engagement themes	Board quality, environmental risks and opportunities, corporate strategy and capital allocation, compensation that promotes long-termism and human capital management		Not Provided
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes	Not Provided
Number of engagements undertaken on behalf of the holdings in this fund in the year	Not Provided		Not Provided

⁴ The data was requested from Aviva for all the listed funds, but was not provided in a usable format. Our investment consultants are liaising with the manager to improve delivery of the data going forward, and we understand that the manager is working to improve their disclosure.

⁵ This includes; the Aviva Pension BlackRock (40:60) Global Equity Fund, the Aviva Pension BlackRock (50:50) Global Equity Fund, the Aviva Pension BlackRock (60:40) Global Equity Fund and the Aviva Pension BlackRock Emerging Market Fund.

Manager	BlackRock Investment Management	Aviva ⁴
Number of engagements undertaken at a firm level in the year	2,840	Not Provided

Taking the voting action above into account, and given that the Scheme offers a suitable default strategy and range of self-select funds for members, the Trustee believes that the Managers have acted in accordance with the Scheme's stewardship policies.

How the SIP has been followed over the year

In the Trustee's opinion, the Statement of Investment Principles has been followed over the year in the following ways:

- The Scheme offers a suitable default strategy for members and a range of self-select fund options which give members a reasonable choice from which to select their own strategy. The strategy and fund range was reviewed on 30 September 2020.
- The Trustees monitor the performance of the manager funds quarterly to ensure that the funds are meeting their stated objectives.
- The Trustees regularly review the ESG capabilities of the managers as part of the annual accounts process.
- The Trustee has made no new manager appointments over the year.