

## **Aynsley China Limited Retirement & Death Benefit Pension Scheme**

### **Implementation Statement for the year ended 5 April 2021**

#### **Introduction**

This Implementation Statement has been prepared by the Trustees of Aynsley China Limited Retirement & Death Benefit Pension Scheme (“the Scheme”) and sets out:

- How the Trustee’s policies on exercising rights (including voting rights) and engagement, as set out in the Statement of Investment Principles (“the SIP”) for the Scheme have been followed over the Scheme year to 5 April 2021.
- The voting and engagement behaviour of the Trustee, or that undertaken on its behalf, over the Scheme year.

As outlined below, in the Trustees’ opinions, the relevant sections of the SIP have been followed during the Scheme year.

#### **Stewardship, engagement and voting behaviour**

The Scheme invests in pooled funds, managed by an organisation rather than directly appointing an individual investment manager. The Trustees have delegated responsibility for the exercise of rights (including voting rights) attached to the Scheme’s investments to the investment management organisation and encourages them to vote whenever it is practical to do so on financially material matters including those deemed to include a material environmental, social and corporate governance (“ESG”) and/or climate change risk in relation to those investments.

The Trustees require the Scheme’s investment management organisation to take ESG and climate change risks into consideration within their decision-making, recognising that how they do this will be dependent on factors including the characteristics of the asset classes in which they invest. The investment management organisation has developed a responsible investment policy to ensure that ESG integration and stewardship in respect of their clients’ investments are embedded throughout their processes and interactions.

The primary investment objective is for the Scheme to achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due. In order to achieve this objective, the investment management organisation is encouraged to make decisions in the long-term interests of the Scheme. Integrating ESG and active ownership are considered by the organisation to be fundamental components of good investment decision-making to generate sustainable long-term returns and ultimately achieve the Scheme’s primary objective. The Trustees assess the quality of performance and process of the pooled funds by reviewing the investment results. The investment management organisation must undertake reviews of the Scheme’s investment arrangements including reviews of the asset allocation policy per the SIP and current pooled funds.

#### **Adherence to the Statement of Investment Principles**

Having reviewed the above in accordance with their policies, the Trustees are satisfied that the actions of the investment fund management organisation are in alignment with the Scheme’s policies on stewardship and the exercise of rights (including voting rights).