



# **The J Murphy Group Pension Plan ('Plan')**

**31 May 2023 Implementation  
Statement**

**September 2023**

**Schroders' Solutions Disclaimer:**

The Implementation Statement is a regulatory requirement under the 2018 changes to the Occupational Pension Plans (Investment) Regulations 2005. It is important that the Trustee of the Plan understand and consider financially material Environmental, Social and Governance ("ESG") factors and consider its own stewardship obligations. A failure to do this puts the Trustee at risk of breaching your legal duties.

This is a Trustee document, and the Trustee must review the Implementation Statement draft provided by its investment adviser and confirm that they have considered the content prepared and reviewed any associated documentation, such as voting policies.

# 1. Introduction

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The Trustee is required to make publicly available online a statement (“the Implementation Statement”) covering The J Murphy Group Pension Plan (the ‘Plan’) in relation to the Plan’s Statement of Investment Principles (the “SIP”).

The SIP was amended once during the year ending 31 May 2023, and the changes made were predominantly to allow for the new investment strategy and fiduciary manager. Since year end the SIP has been updated again to allow for the update investment strategy.

A copy of the current SIP signed and dated June 2023 can be found here [J Murphy Group Pension Plan](#).

This Implementation Statement covers the Plan year from 1 June 2022 to 31 May 2023 (the “Plan Year”). It sets out:

- How the Trustee’s policies on exercising voting rights and engagement have been followed over the Plan Year; and
- The voting by or on behalf of the Trustee during the Plan Year, including the most significant votes cast and any use of a proxy voter during the Plan Year.

A new set of guidance (“the Guidance”) from the Department for Work and Pensions (“DWP”) has been issued with a series of statutory & non-statutory guidance. They aim to encourage the Trustee of the Plan to properly exercise their stewardship policy including both voting and engagement which is documented in the Plan’s SIP. This Implementation Statement has been prepared to provide the details on how the Trustee of the Plan, with the help of the Plan’s Fiduciary Manager, has complied with the new statutory guidance set by DWP.

A copy of this Implementation Statement is available on the following website: [J Murphy Group Pension Plan – Murphy Group](#).

## 2. How the Trustee’s policies on exercising voting rights and engagements have been followed over the Plan Year

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The Trustee uses the Fiduciary Management service of **Schroders IS Limited** as their Investment Manager and Adviser (it is referred to as the "**Fiduciary Manager**" in the Implementation Statement). Schroders Group, a global asset manager, has a long history of engagement and active ownership, dating back to 1998 when it appointed its first governance resource, and has recorded and monitored ESG engagements since then.

- Signatory to the UK Stewardship code
- A+ rating for UN Principles for Responsible Investment
- A- rating for Carbon Disclosure Project
- Advanced ESG recognition from Morningstar
- Engagement Blueprint awarded ESG Engagement Initiative of the Year at Environmental Finance’s Sustainable Investment Awards 2022
- Best Investor Engagement recognition from IR Society Best Practice Award for 2021

The Fiduciary Manager can appoint other investment managers to manage part of the Plan’s assets (these are referred to as "**Underlying Investment Managers**"). Whilst the Trustee has delegated responsibility to the Fiduciary Manager and Underlying Managers for voting and engaging on its behalf, the Trustee regularly reviews the approach and stewardship policies of the Fiduciary Manager to ensure they are aligned with the Trustee’s beliefs and objectives.

A copy of the Plan’s SIP has been provided to the Fiduciary Manager, and the Fiduciary Manager is expected to follow the Trustee’s investment policies when providing Fiduciary Management services. However, given that the investments with the Underlying Investment Managers are generally made via pooled funds (where the Plan’s investments are pooled with those of other investors), the Fiduciary Manager does not have direct control over voting or engaging with the companies that issue the underlying securities. This process lies with the Underlying Investment Manager, who may have different engagement priorities than the Trustee. Therefore, the Trustee requires the Fiduciary Manager to integrate stewardship activities such as voting and engagement, and Environmental, Social and Governance (ESG) factors including climate change, into the selection or monitoring of Underlying Investment Managers. The Trustee believes it is appropriate to delegate the decision of appointing and monitoring Underlying Investment Managers to the Fiduciary Manager, who will be able to influence the Underlying Investment Manager’s voting and engagement policies. Consequently, the Trustee can largely exercise their stewardship policy as set out in the Plan’s SIP.

On behalf of the Trustee, the Fiduciary Manager carried out regular investment and operational due diligence on the Underlying Investment Managers to monitor voting and engagement policies concerning the Plan’s investments. Additionally, with the help of the Fiduciary Manager, the Trustee monitors the performance of the Underlying Investment Managers against the agreed performance objectives at Trustee meetings held during the Plan Year.

In addition, the Trustee also received other training on topics such as Climate Risk and ESG updates within the Fiduciary Management solutions.

**Given the activities carried out during the Plan Year and by preparing this Implementation Statement, the Trustee believes that it has acted in accordance with the DWP Guidance over the Plan Year.**

### 3. Voting and Engagement Summary

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On behalf of the Trustee, the Fiduciary Manager exercises voting rights in relation to the pooled funds managed by the Underlying Investment Managers, in line with its voting policy where possible to do so.

Most voting rights and engagement regarding the Plan's investments relate to underlying securities within these pooled funds. At a general meeting of a company, the Underlying Investment Managers exercise voting rights and engage with the company issuing the security in line with their policies, which the Fiduciary Manager may have influenced. Nonetheless, the pooled funds themselves often confer certain rights around voting or policies, which the Fiduciary Manager exercises on behalf of the Trustee, and we cover these here.

The Plan is invested in a portfolio of gilts and cash as at 31 May 2023. There are no voting rights attached to the assets currently held by the Plan.

CT – LDI Short Profile Leveraged Nominal Gilt fund

Due to the nature of this Fund's investments, it does not utilise vote proxies.

CT – LDI Short Profile Leveraged Real Gilt fund

Due to the nature of this Fund's investments, it does not utilise vote proxies.

L&G – Sterling Liquidity Fund

Due to the nature of this Fund's investments, it does not utilise vote proxies.

**The Trustee is satisfied that the voting and engagement activities undertaken by both Fiduciary Manager and the Underlying Investment Managers align with the stewardship priorities the Trustee has determined during the Plan Year.**

## Appendix – ESG, Voting and Engagement Policies

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Links to the voting and engagement policies for both Investment Manager and Underlying Investment Managers of the Plan’s largest holdings can be found here:

Investment Manager & Underlying Investment Manager	Voting & Engagement Policy
Schroders Solutions	<a href="#">schroders-esg-policy.pdf</a> <a href="https://www.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022-1.pdf">https://www.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022-1.pdf</a>
Legal and General (L&G)	<a href="#">Q2 2023 ESG Impact Report (lgim.com)</a>
Columbia Threadneedle (CT)	<a href="#">Responsible Investment - Proxy voting policy.pdf (columbiathreadneedle.com)</a>

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