

# The Mars Associates' Retirement Plan

## Implementation Statement

### 1. BACKGROUND TO THE STATEMENT

#### 1.1 Regulatory requirements

The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (the "Regulations") require the trustees of pension plans with 100 or more members to include an implementation statement in their annual report and accounts, which confirms:

- a) How, and the extent to which, in the opinion of the Trustees, they followed the policy in the Statement of Investment Principles ("SIP") regarding the exercise of rights (including voting rights) attaching to the investments and the undertaking of engagement activities in respect of the investments (including the methods by which, and the circumstances under which, the Trustees would monitor/engage with investment managers, issuers of debt or equity and other stakeholders on relevant matters (the Stewardship and Engagement Policy) during the year.
- b) A description of voting behaviour by or on behalf of Trustees, including most significant votes cast and the use of any of the services of a proxy voter.

#### 1.2 The Trustee's SIP

The Trustee's SIP was updated and subsequently adopted in June 2023. The hedge ratio increased from 80 to 90% of the gilts-flat liability and the range of the Matching Gilts and Private Equity were aligned with the Investment Policy Statement. This policy was developed with advice from the Trustee's strategic investment advisor (SECOR) and legal advisors, and in line with the Trustee's investment objectives for the Plan. The Responsible Investment Policy was developed because the Trustee believes that the effective stewardship and engagement may have a long-term positive impact on underlying investments.

### 2. ROLE OF THE STATEMENT

The objective of this statement is to describe how the Responsible Investment Policy has been implemented over the reporting period and to describe voting behaviour by or on behalf of the Trustee. The Trustee confirms that it has fully complied with the Responsible Investment Policy.

### 3. IMPLEMENTATION OF THE RESPONSIBLE INVESTMENT POLICY

In accordance with this Policy, the Trustee has delegated stewardship and engagement matters to SECOR and the Plan's investment managers who undertake these activities on its behalf.

The Trustee has direct relationships with only one investment manager who is eligible to participate in voting. This manager was terminated in October 2022 and the remaining holdback amount represented less than 0.1% of the Plan's assets under management as of 31 December 2023. This manager did not hold any equity investments during the year and therefore did not participate in any proxy voting activity.

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The Trustee also has indirect relationships through private market fund of fund advisors, who are eligible to participate in voting. SECOR, acting on behalf of the Trustee, engages with these the private market fund of fund advisors to understand and provide direction for voting and engagement behaviour.

The Trustee has reviewed SECOR and the Plan's direct relationship investment managers on their stewardship and engagement activities for the year, and confirm that:

- 87% of all managers participate in industry collaborations including the UN Principles for Responsible Investing and the UK Stewardship Code.
- 100% of in-scope managers have proxy voting procedures in place.

#### 4. DESCRIPTION OF PROXY VOTING POLICIES & PROXY VOTING BEHAVIOUR

The Trustee has not set Plan specific voting policies but relies on the investment managers' expertise in determining the correct course of action in their engagement with the underlying holding. The Trustee therefore expects the investment managers either to use a professional third-party Proxy Advisory Service Provider, or follow their own 'house policies' (describe later as "manager own policies"). The investment managers are required to report annually on their proxy voting policies and proxy voting behaviour. If not adequately reported, SECOR will engage with the investment manager to understand the reasons and recommend action to the Trustee if warranted.

During 2023, the Plan did not have any investments that resulted in proxy voting activity.