

William Kenyon & Sons Superannuation and Life Assurance Scheme

Implementation Statement 1 April 2022 – 31 March 2023

Overview

The Trustees of the William Kenyon Scheme have prepared this implementation statement in compliance with the governance standards introduced under The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019. Its purpose is to demonstrate how the Scheme has followed the policies on voting, stewardship and engagement as set out in the Scheme's Statement of Investment Principles (SIP). The latest version of the SIP is dated August 2023 and a copy can be downloaded from www.williamkenyon.co.uk.

This statement covers the Scheme's financial year from 1 April 2022 to 31 March 2023.

The Scheme's investment strategy underwent considerable revision during the year to reflect both substantially altered market conditions and also measures undertaken to prepare the Scheme for a further buy-in transaction. The Scheme's equity fund holdings were sold early in the financial year. The Real Return fund holding was liquidated in phases prior to the end of calendar year 2022. The LDI position and the investment in the Capital for Colleagues fund were both exited in March 2023. The year ended with the Scheme's assets held entirely in cash and a portfolio of fixed and index-linked gilts built up during the year.

The Scheme's assets are managed by Castlefield Investment Partnership LLP (Castlefield). The invested portfolio at year end consisted exclusively of government debt, for which there are no voting rights to exercise and no engagement data to present.

This report does, however, include relevant voting and engagement information from Castlefield relating to the Real Return and Capital for Colleagues funds, which were held for the majority of the year.

No changes were made to the voting and engagement policies in the Statement of Investment Principles during the Scheme year.

The Trustees have, in their opinion, followed the Scheme's voting and engagement policies during the year under review, by continuing to delegate to their investment manager the exercise of rights and engagement activities in relation to investments, as well as working with an investment manager that has strong, proven stewardship policies and processes. The Trustees believe that Castlefield has acted in accordance with the Scheme's policies during the year and they are supportive of the voting actions taken by Castlefield in the period under review, which aimed to encourage positive governance changes in the companies involved.

The Scheme's investment strategy continues to evolve and the SIP will be revised as necessary to reflect the latest developments.

Analysis of voting and engagement activities

Further relevant detail on the voting and engagement activities undertaken by Castlefield during the year are set out in the tables below.

Summary of votes cast:

Fund	Total Votes Cast	Votes For	Votes Against	Abstentions
CFP Castlefield Real Return Fund	247	224	17	6
Direct Equities (Capital for Colleagues Plc)	9	9	0	0

Examples of significant votes during the year (in no particular order):

Fund	Company name	Date of vote	Summary of resolution	How vote was used	If against, any further engagement actions with management	Rationale for voting decision	Outcome of the vote
<i>Real Return Fund</i>	<i>Assura Plc</i>	<i>06/07/2022</i>	<i>Approve Remuneration Policy</i>	<i>We voted against the resolution.</i>	<i>N/A</i>	<i>The company's proposed remuneration policy breaches our voting guidelines on maximum variable pay.</i>	<i>The resolution passed.</i>
<i>Real Return Fund</i>	<i>Axiom European Financial Debt Fund Limited</i>	<i>25/07/2022</i>	<i>Accept Financial Statements and Statutory Reports</i>	<i>We voted against the resolution.</i>	<i>N/A</i>	<i>We voted against this resolution on the basis that the company has 0% female gender representation at board level. The company does not disclose ethnic diversity or information about climate risk.</i>	<i>The resolution passed.</i>

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<i>Real Return Fund</i>	<i>Axiom European Financial Debt Fund Limited</i>	<i>25/07/2022</i>	<i>Re-elect Max Hilton as Director</i>	<i>We abstained on the resolution.</i>	<i>N/A</i>	<i>We abstained on the re-election of Mr Hilton due to his role as the Chairman of the Nominations Committee and overall responsibility for board diversity.</i>	<i>The resolution passed.</i>
<i>Real Return Fund</i>	<i>Greencoat UK Wind PLC</i>	<i>28/04/2022</i>	<i>Re-elect Shonaid Jemmett-Page as Director</i>	<i>We voted against the resolution.</i>	<i>N/A</i>	<i>We voted against the director's reappointment due to a nine year tenure which is the maximum permissible in our voting guidelines and as we would classify them as having too many external commitments.</i>	<i>The resolution passed.</i>
<i>Real Return Fund</i>	<i>The Renewables Infrastructure Group Limited</i>	<i>27/05/22</i>	<i>Re-elect Helen Mahy as Director</i>	<i>We abstained on the resolution.</i>	<i>N/A</i>	<i>We had concerns about the level of diversity on the board. However, we opted to abstain due to Helen Mahy's involvement with the Parker Review, which promotes ethnic diversity.</i>	<i>The resolution passed.</i>

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<i>Real Return Fund</i>	<i>RM Infrastructure Income PLC</i>	<i>31/05/22</i>	<i>Accept Financial Statements and Statutory Reports</i>	<i>We abstained on the resolution.</i>	<i>N/A</i>	<i>As an investment trust, the company is not obliged to report to TCFD, but we were concerned that they stated that they have no emissions to report from operations, particularly as an infrastructure fund.</i>	<i>The resolution passed.</i>
<i>Real Return Fund</i>	<i>Alternative Income REIT PLC</i>	<i>10/11/22</i>	<i>Approve Remuneration Report</i>	<i>We abstained on the resolution.</i>	<i>N/A</i>	<i>The report shows an increase in fees of 30%. The nominal increase isn't egregious given the previous level of fees and the previous increase was five years ago. However, given underperformance by the company and the fact two of the board are recent joiners (1yr), we took the decision to abstain.</i>	<i>The resolution passed.</i>

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<i>Real Return Fund</i>	<i>Alternative Income REIT PLC</i>	<i>10/11/22</i>	<i>Re-elect Adam Smith as Director</i>	<i>We voted against the resolution.</i>	<i>N/A</i>	<i>We voted against the re-appointment of Mr Smith due to his non-independent status skewing the overall composition of the board and his position on the audit committee, which should be comprised of only independent directors.</i>	<i>The resolutions passed.</i>
<i>Real Return Fund</i>	<i>JPEL Private Equity Limited</i>	<i>29/11/2022</i>	<i>Ratify PricewaterhouseCoopers CI LLP as Auditors</i>	<i>We abstained on the resolution.</i>	<i>N/A</i>	<i>The auditor has been in place since 2012, which meant they recently breached the tenure limits in our voting policy. However, given the company is winding down its investments and focused on cost saving, we opted to abstain.</i>	<i>The resolution passed.</i>
<i>Real Return Fund</i>	<i>Urban Logistics REIT PLC</i>	<i>20/07/2022</i>	<i>Authorise the Company to Call General Meeting with Two Weeks' Notice</i>	<i>We voted against the resolution.</i>	<i>N/A</i>	<i>We always vote against requests to hold meetings at short notice as we do not believe it provides shareholders adequate time to consider resolutions.</i>	<i>The resolution passed.</i>

Adopted by the Trustees on 15 August 2023.