

Implementation Statement, covering the Scheme Year from 6 April 2024 to 5 April 2025 (the “Scheme Year”)

The Trustee of the Inchcape Motors Pension Scheme (the “Scheme”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the voting and engagement policies in its Statement of Investment Principles (“SIP”) during the Scheme Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, Trustees (including the most significant votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

In preparing the Statement, the Trustee has had regard to the [guidance on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions \(“DWP’s guidance”\) in June 2022.](#)

1. Introduction

The voting and engagement policies in the SIP were reviewed and updated during the Scheme Year, in January 2025, to reflect that the majority of the Scheme’s assets are now comprised of a buy-in policy held with Legal & General Assurance Society Ltd (“L&G”). As part of this SIP update, the employer was consulted and confirmed it was comfortable with the changes.

The Trustee has, in its opinion, followed the Scheme’s voting and engagement policies during the Scheme Year.

2. Voting and engagement

The Trustee has delegated to the investment managers and buy-in provider the exercise of rights attaching to investments, including voting rights, and engagement. However, the Trustee takes ownership of the Scheme’s stewardship by monitoring and engaging with managers and the buy-in provider and escalating as necessary as detailed below.

The Trustee does not monitor or engage directly with issuers or other holders of debt or equity. It expects the providers to exercise ownership rights and undertake monitoring and engagement in line with the managers’ general policies on stewardship, as provided to the Trustee from time to time, taking into account the long-term financial interests of the beneficiaries.

The Trustee has limited influence over providers’ stewardship practices where assets are held in pooled funds or buy-in policies, but it encourages them to improve their practices where appropriate.

Following the introduction of DWP’s guidance, the Trustee agreed to set stewardship priorities to focus monitoring and engagement with their investment managers on specific ESG (Environmental Social and Governance) factors:

- Climate Change
- Diversity, Equity & Inclusion

As part of its advice on the selection and ongoing review of the investment managers, the Scheme’s investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers’ approaches to voting and engagement and approaches to financially material considerations where appropriate.

In October 2024, as part of the selection of a buy-in provider, the Trustee reviewed the responsible investment practices of the potential providers. As part of this review, the Trustee considered the providers’ approach to managing climate risk, whether they had set and progressed against a net zero target, and their approach to stewardship.

3. Description of voting behaviour during the Scheme Year

The Scheme did not invest in equities during the reporting period to 5 April 2025 and therefore there is no voting behaviour to report on in this Statement. The Trustee did not use the services of a proxy voter during the period.

The Scheme's asset managers which don't hold listed equities, but invest in assets that might have voting opportunities during the Scheme Year (LGIM and Newton) have confirmed that there were no voting opportunities during the Scheme year.