

LS Starrett Company Limited Retirement Benefits Scheme ('the Scheme') – Implementation Statement 1st July 2023 – 30th June 2024

This Implementation Statement ('Statement') has been prepared in accordance with applicable legislation, taking into account guidance from The Department for Work and Pensions, for the period from 1st July 2023 – 30th June 2024 ('the Scheme Year').

The Scheme's reporting period for each fund is the holding period of that fund across the Scheme Year.

The Statement sets out how, and the extent to which, the Trustees' policy in relation to exercising voting rights has been followed during the year by describing the voting behaviour on behalf of the Trustees of the Scheme.

The Trustees have appointed Minerva Analytics ('Minerva') to obtain voting and investment engagement information ('VEI') on the Scheme's behalf.

This Statement includes Minerva's report on key findings on behalf of the Trustees over the Scheme Year.

A summary of the key points is set out below.

Baillie Gifford

It was determined by Minerva that Baillie Gifford's public voting policy and disclosures contain minor divergences from good practice due to limited disclosures in Audit & Reporting and Remuneration. However, the information gaps were not sufficiently material to justify stating that the policy is not 'compliant' with the Scheme's requirements.

Baillie Gifford provided a summarised voting record that was in line with the Scheme's reporting period. Significant votes were also provided. From this, Minerva was able to confirm that the manager's voting activity was in line with the Trustees' policy. Baillie Gifford provided detailed fund-level information on engagements that was in line with the Scheme's reporting period. From this, Minerva was able to confirm that the activity appeared to broadly comply with Baillie Gifford's own engagement approach, and so complies with the Scheme's approach.

Columbia Threadneedle

Columbia Threadneedle stated that there was no voting information to report due to nature of the underlying holdings.

The manager provided basic firm-level information on engagements that was in line with the Scheme's reporting period. Despite the basic level of information, Minerva was able to confirm that the activity appeared to broadly comply with Columbia Threadneedle's own engagement approach, and so complies with the Scheme's approach.

Legal and General Investment Management ('LGIM')

For the LGIM Active Corporate Bond – All Stocks Fund, LGIM stated there was no voting information to report due to the nature of the underlying holdings.

In relation to the Diversified Fund, it was determined by Minerva that LGIM's public voting policy and disclosures are broadly in line with good practice as represented by the International Corporate Governance Network ('ICGN') Voting Guidelines Principles, taking into account the Scheme's stewardship expectations. The manager provided a summarised voting record although this was not in line with the Scheme's reporting period. Significant votes were also provided. From this, Minerva was able to confirm that the manager's voting activity was in line with the Trustees' policy. LGIM provided basic fund-level information on engagements for both the Diversified Fund and the Active Corporate Bond – All Stocks Fund that was in line with the Scheme's reporting period. From this, Minerva was able to confirm that the activity appeared to broadly comply with the manager's own engagement approach, and so complies with the Scheme's approach.

M&G

M&G stated that there was no voting information to report due to nature of the underlying holdings.

The manager provided detailed firm-level information on engagements that was in line with the Scheme's reporting period. From this, Minerva was able to confirm that the activity appeared to broadly comply with M&G's own engagement approach, and so complies with the Scheme's approach.

Standard Life

Standard Life stated that there was no voting information nor engagement information to report due to nature of the underlying holdings.

Vontobel

Vontobel stated that there was no voting information to report due to nature of the underlying holdings.

The manager provided detailed firm-level information on engagements that was in line with the Scheme's reporting period. From this, Minerva was able to confirm that the activity appeared to broadly comply with Vontobel's own engagement approach, and so complies with the Scheme's approach.

Final Comments

Baillie Gifford have continued to provide good levels of voting and engagement information that is in line with the Scheme's reporting period. The manager has maintained minor divergences from good practice in their public voting policy and disclosures due to limited information on Audit & Reporting and Remuneration. The Baillie Gifford Diversified Growth Fund was fully disinvested from over the Scheme Year.

In line with last year, LGIM and Columbia Threadneedle could improve by increasing the level of detail in their engagement information.

M&G and Vontobel have continued to provide good levels of engagement information.