

Engagement Policy Implementation Statement (“EPIS”)

The Wiltshire (Bristol) Limited Retirement Benefits Scheme (the “Scheme”)

Scheme Year End – 30 April 2024

The purpose of the EPIS is for us, the Trustees of the Wiltshire (Bristol) Limited Retirement Benefits Scheme, to explain what we have done during the year ending 30 April 2024 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. How our policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Scheme’s investments have been followed during the year; and
2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the ‘most significant’ votes cast over the reporting year.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In October 2022, the Scheme secured a Bulk Purchase Annuity Agreement (the “Annuity”) with Just Retirement (the “Insurer”). The Annuity aims to cover the vast majority of the liabilities of the Scheme. In endeavouring to invest in the best financial interests of the beneficiaries and purchasing the Annuity, we recognise that we cannot, therefore, directly influence the ESG integration or stewardship policies and practices of Just Retirement. We believe that the Insurer should use its influence and purchasing power where possible to ensure that ESG factors, including climate change, are appropriately considered by underlying investment managers and financial counterparties.

The Scheme’s residual invested assets, valued at c.£0.4m, are invested in gilts with Legal & General Investment Management (“LGIM”). There is also a residual amount of cash held in the Trustee bank account.

This EPIS does not disclose stewardship information on investments in gilts or cash, due to the limited materiality of stewardship of these asset classes. Further this report does not include the additional voluntary contributions (“AVCs”) due to the relatively small proportion of the Fund’s assets that are held as AVCs.

How voting and engagement policies have been followed

The majority of the Scheme's assets were transferred to Just Retirement, the Insurer, in October 2022 to purchase the Annuity. Post the Annuity purchase, the Scheme also held some residual assets, currently invested in gilt funds managed by LGIM and cash within the Trustee Bank Account. We acknowledge the limited materiality of stewardship for the residual assets that remain invested with LGIM.

Over the year, the Trustees continued to remain proactive in ensuring the Scheme appropriately updates the Stewardship policy in the SIP.

The Scheme's stewardship policy can be found in the SIP, located here: <https://plc.autotrader.co.uk/media/v2cl4qiq/defined-benefit-pension-scheme-sip-2023.pdf>

We recognise our responsibilities as a steward of investment capital; however, we have limited ability to directly influence the Insurer's the ESG integration, stewardship policies or practices.

We expect the Insurer to use its influence and purchasing power where possible to ensure that Environmental, Social, and corporate Governance ("ESG") factors, including climate change, are appropriately considered by its underlying investment managers. The responsibility for managing the arrangements (with the exception of the residual assets) with its underlying investment managers lies with Just Retirement.

Should we be provided with any opportunity which we deem appropriate to influence the Insurer in these areas, we will consider it and take reasonable steps. We were unaware of any such opportunity during the Scheme year.

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which ESG issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI