

DELBANCO MEYER & CO LTD RETIREMENT BENEFITS SCHEME IMPLEMENTATION STATEMENT

For year ended 30 June 2021

Under the new regulatory requirements now in force the trustees are required to produce a yearly statement setting out how and the extent to which the trustees have followed the voting and engagement policies in their statement of Investment Principles (the "SIP") during the year. This is the first such statement produced and includes a brief summary of how investment decisions are taken and provides any recent updates to the SIP.

Summary of how investment decisions are taken

The trustees are responsible for setting and monitoring the investment strategy for the Delbanco Meyer & Co Retirement Benefits scheme (the "Scheme") and for appointing investment managers. When choosing investments the Trustees ensure that they comply with the independence requirements of the principal employer, Delbanco Meyer & Co Ltd (the "Company").

The trustees have adopted a set of investment priorities and investment principles to govern investment decisions for the Scheme. The principles are set out in the Scheme's SIP. The trustees manage the investment strategy in accordance with these investment priorities and principles.

Summary of last SIP update

The SIP was last updated in February 2021. The SIP contains the policies on Environmental, Social and Governance considerations ("ESG") and on voting and engagement policies. The vast majority of the Scheme's assets are held in the Aviva Deposit Administration contract which is a with-profits fund known as the DA77 plan. As such the trustees have no direct influence over the exercise of rights attached to the investments, including voting rights, and have no direct contact with investment managers at Aviva. The trustees receive annual reports from Aviva on the performance of the DA77 plan and on the level of bonuses to be paid. Around 5% of the Scheme assets (excluding the annuity policies) are held in equities with advice from investment managers at Royal Bank of Canada ("RBC") and the trustees have delegated matters such as ESG to the investment manager at RBC.

Summary of the Scheme's voting and Engagement Policies

The trustees stewardship policy is to:

- Delegate responsibility for exercising of rights (including voting rights) attached to investments to investment managers
- Require its investment managers to 'comply or explain' their position in adherence to the UK Stewardship Code (the "code") published by the Financial Reporting Council (the "FRC")

As noted in the SIP the trustees have limited scope to influence managers' stewardship activities. However the trustees do take stewardship into account in selecting, monitoring and retaining its managers.

Voting and engagement policies

As noted above the Trustees policy is for the managers to 'comply or explain' their position on adherence to the Code. Both Aviva Investors and RBC Global Asset Management are fully committed to responsible investment and to adherence to the Code. This includes publishing annual proxy voting guidelines and a compliance statement to the Code and providing details of their responsible investment approach and their views on ESG best practice and information on how Aviva and RBC exercise their voting rights and engagement policies are shown on their respective websites.