

# **Elim Ministers Pension Fund**

**Implementation Statement**

**December 2022**

## Introduction

This document is designed to be used in conjunction with the Statement of Investment Principles (SIP) to quantify to what extent the principles laid out have been followed and implemented. This Implementation Statement is based on the Elim Minsters Pension Fund (the “Fund”) Statement of Investment Principles updated in September 2020. The Trustees are comfortable that the SIP has been followed effectively throughout the last year. The Implementation Statement covers the period 1<sup>st</sup> January 2022 to 31st December 2022.

The scheme is a Defined Benefit (DB) scheme, with the only money purchase benefits arising from Additional Voluntary Contributions (AVCs).

## Changes to beliefs over the last year

There were no changes made to the Trustees’ beliefs over the year.

## Ability to use voting rights

During the period, The Fund had delegated management of a percentage of the Fund’s assets to two managers, Brewin Dolphin and Cantab Asset Management (collectively “the managers” or “the investment managers”). who select investments on behalf of the ELIM within segregated mandates. This means the Trustees do not directly control voting rights on the assets held. The Trustees rely on their investment managers to exercise the voting rights attached to their holdings in accordance with the Trustees’ beliefs. The Trustees are aware that their ability to influence the managers is limited. However, the Trustees consider alignment of beliefs when making decisions around the hiring and retention of investment managers.

## How Stewardship, Voting and Engagement policies have been followed

The Trustees consider their voting and engagement policies to have been met in the following ways:

- The Scheme has a large allocation to directly held residential property which is managed by the Investment Committee who are able to ensure proper stewardship. The Trustees regularly consider the performance of the investments held and any significant developments that arise.
- The Scheme invests through segregated accounts with the managers, where some holdings are directly held by the Scheme, but it also invests in pooled investment vehicles. The Trustees delegate responsibility for carrying out voting and engagement activities to the managers in its direct holdings, and this responsibility is further delegated to the underlying sub-managers for pooled investment vehicles. Investment rights (including voting rights) have been exercised by the managers in line with the managers’ general policies on corporate governance. The Trustees also expect the managers and the sub-managers to have engaged with the companies in which they invest in relation to ESG matters.
- The Trustees undertook an initial review of the ESG stances, stewardship and engagement activities of the current asset managers as part of their review of the Scheme’s Statement of Investment Principles in September 2020, and were satisfied that their policies were reasonable, and no remedial action was required at that time.

- The Trustees are comfortable with the managers' strategies and processes for exercising rights and conducting engagement activities, and specifically that, they attempt to maximise shareholder value as a long-term investor. The Trustees receive reports on engagement and voting from their investment managers and review this to ensure alignment with their own policies.
- Having reviewed the above in accordance with their policies, the Trustees are comfortable the actions of the managers are in alignment with the Scheme's ESG and Stewardship policies.

Unfortunately, the managers were unable to provide the Trustees with voting data for in time for this statement. While this is disappointing, we note that in 2023 the decision has been made to replace both managers with alternatives on the Mobius Platform. The Trustees expect their new managers, Legal & General Investment Management and Insight Investments, to be able to provide this information for future years.