

Engagement Policy Implementation Statement (“EPIS”)

Introduction

On 6 June 2019, the Government published the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 (the "Regulations"). The Regulations amongst other things require that the Trustees produce an annual implementation statement which outlines the following:

- Explain how and the extent to which they have followed their engagement policy, which is outlined in the SIP.
- Describe the voting behaviour by, or on behalf of the Trustees (including the most significant votes cast by Trustees or on their behalf) during the scheme year and state any use of the services of a proxy voter during that year.

The EPIS for the Tullett Prebon Pension Scheme ("the Scheme"), has been prepared by the Trustee of the Scheme, Tullett Prebon Pension Trustee Limited ("the Trustee") and covers the Scheme year to 30 April 2021. The Scheme currently has a bulk annuity insurance policy covering the majority of member benefits, with some historic smaller annuities covering a handful of other member benefits. The Scheme's remaining invested assets consist of an ultra-short dated government and supra-national bond portfolio. As the Scheme does not invest in equity as an asset class, the bullet points above are not material and this document sets out any relevant details.

Scheme Stewardship Policy Summary

The below summarise the Scheme Stewardship Policy in force over the reporting year to 30 April 2021. The full SIP can be found here:

<https://tpicap.com/tpicap/home/Occupational%20Pension%20Schemes%20%28Administration%20and%20Disclosure%29%20Regulations%202018>

The Trustee generally delegates responsibility for the stewardship activities (including voting rights and engagement activities) attaching to all investments to its investment managers. The Trustee considers this appropriate given the Scheme is in wind-up and assets are being held over a very short future timescale.

Given the buy-in policies, the Trustee is not able to influence the selection of underlying investments held by the insurers. For the remaining assets, where a significant concern is identified by the Trustee (e.g. a matter relating to social and environmental impact) the Trustee may decide to engage with the fund manager, taking advice from its investment adviser if necessary.

Scheme stewardship activity over the year

In September 2020, the Trustee formally updated their statement of investment principles. The updated wording in the SIP illustrates how the Trustee recognises the importance of its role as a steward of capital, as well as indicating the circumstances by which the Trustee would engage with their managers.

In summary

Based on the activity over the year by the Trustee and their service providers, the Trustee are of the opinion that the stewardship policy has been implemented effectively in practice. The Trustee notes that its applicable asset manager would be able to disclose clear policies and evidence of engagement activity if required.