

## The Hallé Concerts Society Retirement Benefits Scheme

### Implementation Statement – September 2021

#### 1. Introduction

This statement describes the Trustees of the Scheme ('the Trustees') voting and engagement policies along with a summary of voting behaviour over the 12 months to 31 March 2021.

#### 2. Stewardship, voting and engagement policies

The Trustees have instructed the fiduciary manager to exercise their voting and other rights as shareholders in a manner the fiduciary manager believes to be consistent with best practice in relation to Corporate Governance and in accordance with the Institutional Shareholders' Committee's ("ISC") Statement of Principles on the Responsibilities of Institutional Shareholders and Agents.

The Trustees recognise the Scheme's responsibility as a long term institutional investor to support and encourage good corporate governance practices in the companies in which it invests, because this also protects the value of the Scheme's investments while they are held.

The Trustees therefore require their fiduciary manager in their stewardship of the Scheme's assets to pay appropriate regard to the investee companies' performance, strategy, capital structure, management of actual or potential conflicts of interest, risks, social, ethical and environmental impact and corporate governance when considering the purchase, retention or sale of investments.

The Trustees oversee their fiduciary manager's voting and engagement activities to ensure compliance with this requirement. Reporting on the fiduciary manager's voting and engagement activities and how these activities have had a bearing on the purchase, retention and sale of investments is included in the quarterly investment monitoring reports.

#### 3. Summary of voting and engagement behaviour

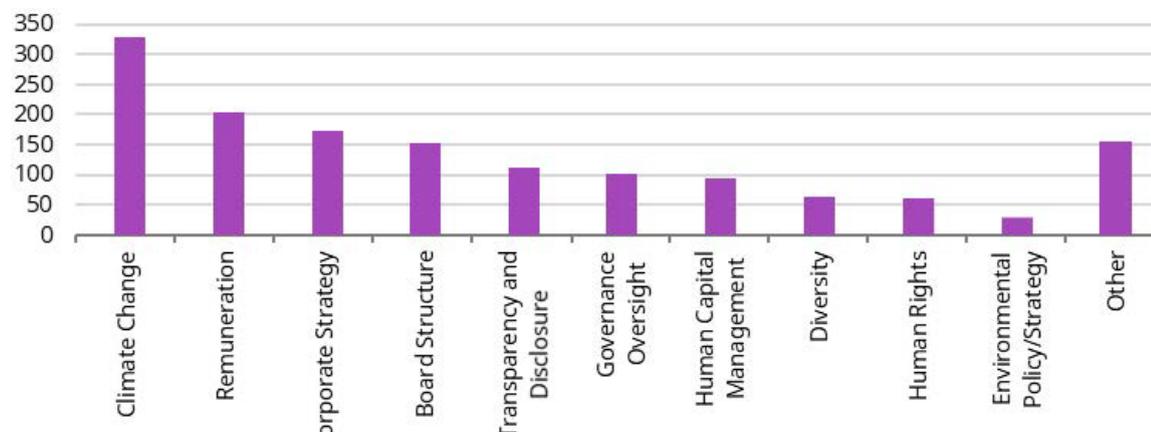
The following table summarises the number of engagements the fiduciary manager has had in relation to the Scheme's investments over the period:

Engagement summary	
<b>Engagements</b>	<b>885</b>
<b>Topics</b>	<b>1,477</b>
Environmental	471 (32%)
Social	259 (18%)
Governance	747 (51%)

There were a total of 885 engagements covering 1,477 topics. 51% of the topics covered related to areas of Governance, 32% related Environmental considerations and 17% related to Social considerations.

The top ten topics discussed are summarised below:

## Top ten topics discussed



This includes exposure across the total portfolio, including the following pooled fund investments and directly invested sub portfolios: Schroder Global Equity Portfolio; Schroder Sustainable Multi-Factor Equity, Schroder QEP Global Value Portfolio; Schroder UK Mid 250 Fund; Schroder Institutional UK Small Companies Fund; Schroder ISF Emerging Markets Equity Alpha; Schroder ISF China A; Schroder ISF European Large Cap Equity; Schroder ISF Global Disruption; Schroder High Yield Portfolio; Schroder All Maturities Corporate bond; Schroder ISF Global Corporate bond; Schroder Securitised Loans Portfolio; Schroder AS Commodity Fund; Schroder British Opportunities Trust plc and Schroder ISF Global Sustainable Convertible Bond.

Below we summarise the fiduciary manager's voting behaviour over the period

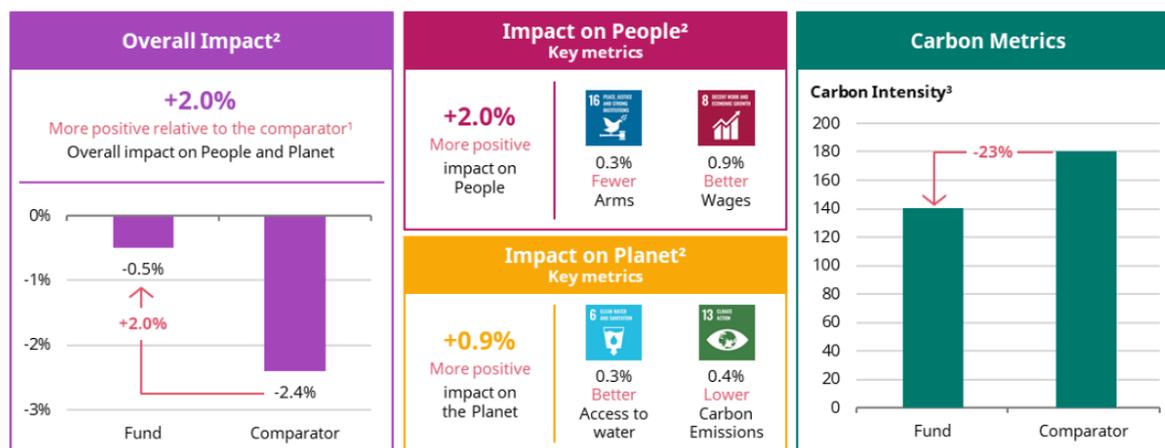
Voting summary	
Number of meetings eligible to vote at	1,711 meetings
Number of resolutions eligible to vote on	20,478 resolutions
% of resolutions voted on	99.6%, 20,396
% and number of resolutions voted with management	91.9%, 18,744 resolutions
% and number of resolutions voted against management	7.7%, 1,570 resolutions
% and number of resolutions abstained from voting	0.3%, 61 resolutions
% of meetings, in which we voted, that we voted at least once against management	45.3%
Number of equity holdings as of period end	1,360

The overriding principle governing our approach to voting is to act in the best interests of our clients. Where proposals are not consistent with the interests of shareholders and our clients, we are not afraid to vote against resolutions. Further details on our voting policy can be found in our Environmental, Social and Governance Policy:

<https://www.schroders.com/en/sysglobalassets/globalassets/english/campaign/sustainability/integritydocuments/schroders-esg-policy.pdf>

## 4. Sustainability and carbon reporting metrics

SustainEx measures the net benefits or harms to society that companies create per \$100 of revenue they produce, expressed as a percentage. For DGF, a SustainEx score of +2.0% means that the aggregated companies in the active equity, credit, high yield, convertible bond and alternative energy holdings add \$2.0 of benefit to society for every \$100 of sales relative to the comparator<sup>1</sup>.



Source: Schroders, as at 31 March 2021. Analysis on active equity, credit, high yield, convertible bond and alternative energy holdings, which account for 65.5% of the Schroder Life Diversified Growth Fund. Holdings have been scaled to 100% for reporting purposes.

<sup>1</sup>The bespoke comparator used is an asset-weighted blend of the MSCI AC World Index, Barclays Global Aggregate - Corporates Index, Bloomberg Barclays Global High Yield x CMBS x EMG x Energy 2% Capped Index, Thomson Reuters Global Convertible Bonds Index and the MSCI Global Alternative Energy Index. The blend will evolve over time in line with the actual asset allocation of the fund.

<sup>2</sup>SustainEx measures the net benefit or harm to society that companies create per \$100 of revenue they produce, expressed as a percentage.

<sup>3</sup>Carbon intensity is defined as (Scope 1 + 2 emissions of CO2 equivalents / \$m sales. For illustrative purposes only and not to be viewed as a recommendation to buy/sell securities. Fund coverage for carbon intensity was 58.1%, this was 96.6% for the bespoke comparator; please note, both have been scaled to 100% for reporting purposes.

# Schroders

Dated 24<sup>th</sup> September 2021

Signed for and on behalf of the Trustees of the Scheme:

VALERIE HAWKIN ..... Name (Print)



Signature

24/09/21..... Date

PETER MCDONALD ..... Name (Print)



Signature

24/09/21..... Date