

Implementation Statement

Statement of Compliance with the Morrison's Retirement Saver Plan's Stewardship Policy for the year ending 5 April 2024

Introduction

This is the Trustee's statement prepared in accordance with the requirements of the Occupational Pension Plans (Investment and Disclosure) (Amendment) Regulations 2019. This statement sets out how the Trustee has complied with their Stewardship Policy for the Plan during the period from 6 April 2023 to 5 April 2024.

Stewardship policy

The Trustee's Stewardship Policy is included in the Plan's Statement of Investment Principles (SIP) document and sets out how the Trustee will behave as an active owner of the Plan's assets which includes the Trustee's approach to:

- the exercise of any voting rights attached to assets; and
- undertaking engagement activity, including how the Trustees monitor and engage with their investment managers and any other stakeholders.

The Plan's Stewardship Policy is reviewed at least every three years in line with the Plan's SIP, or sooner if there is a requirement to do so. The last review of the SIP was carried out in early 2024. The Plan's Stewardship Policy contained within the SIP is available to view online at:

Wm Morrison's 1967 Section of the Morrison's Retirement Saver Plan:

<https://1967section.morrisonspensions.co.uk/app/uploads/sites/4/2024/01/1967-Statement-of-Investment-Principles.pdf>

Retirement Saver Plan Section of the Morrison's Retirement Saver Plan:

<https://rsp.morrisonspensions.co.uk/app/uploads/sites/3/2023/01/Morrison's-Retirement-Saver-Plan-SIP.pdf>

Policy Wording

The Trustee has delegated voting and engagement activity in respect of the underlying assets to the Plan's investment managers. The Trustee believes it is important that their investment managers take an active role in the supervision of the companies in which they invest, both by voting at shareholder meetings and engaging with the management on issues which affect a company's financial performance.

Policy Implementation

The Trustee's own engagement activity is focused on their dialogue with their investment managers which is undertaken in conjunction with their investment advisers. The Trustee meets regularly with its managers and as part of these meetings evaluates how each manager has exercised their stewardship responsibilities.

The Trustee also monitors their compliance with their Stewardship Policy on a regular basis and are satisfied that they have complied with the Plan's Stewardship Policy over the last year.

Voting activity

The 1967 and RSP Sections disinvested from their last equity holding, Legal and General Investment Management ('LGIM') World Equity Fund, in September and October 2022. As the Plan no longer holds listed equity, the voting activities of the managers are limited. Nonetheless the Trustee expects its managers to use their influence proactively in managing ESG risks in their underlying portfolios over time.

Engagement activity

To comply with the Plan's Stewardship Policy the Trustee aims to meet with the Plan's investment managers at least once a year. The Trustee will usually do this through an annual 'manager day' meeting. The last manager day meeting took place in May 2024.

Prior to each manager meeting the Trustee and its investment advisor set each manager a comprehensive agenda to assist the Trustee in holding each manager to account. The agenda covers a wide range of topics including review of short- and long-term performance in the market context, market outlook, risks and opportunities, and responsible investing. In addition, the Trustee's investment advisor prepared a paper prior to the meeting setting out the policies included within the SIP and how the Trustee could comply with the policies through the manager day meeting.

In addition to regular manager day meetings, the Trustee may also meet with the Plan's managers on an ad-hoc basis, for example to discuss any relevant market themes, concerns or opportunities.

The below table details recent engagement meetings with managers:

Meeting type	Manager	Mandates	Date
Annual manager day engagement meeting	LGIM	The Global Credit Buy and Maintain Portfolio (segregated) Sterling Liquidity Fund (pooled)	10 May 2024
Annual manager day engagement meeting	M&G	Total Return Credit Investment Fund (pooled) Illiquid Credit Opportunities Funds (pooled)	10 May 2024
Annual manager day engagement meeting	Partners Group	Multi-Asset Credit Funds (pooled)	10 May 2024
Annual manager day engagement meeting	Insight	LDI portfolio (segregated) High Grade and Liquid Asset Backed Securities Funds (pooled)	10 May 2024

As the Plan no longer holds any listed equity investments (either directly or through multi-asset mandates), this statement does not include details of any votes cast on the Trustee's behalf.