Sleepeezee Retirement Benefits Plan 1975

Implementation Statement

This Implementation Statement has been prepared by Sleepeezee Pension Trustee Limited as the Trustee of the Sleepeezee Retirement Benefits Plan 1975 ("the Plan") and sets out:

- How the Trustee's policies on exercising rights (including voting rights) and engagement have been followed over the year to 31 March 2021; and,
- The voting behaviour of the Trustee, or that undertaken on its behalf, over the year.

How voting and engagement policies have been followed

The Trustee delegates responsibility for carrying out voting and engagement activities to the Plan's investment managers.

Rights (including voting rights) have been exercised by the investment managers in line with the investment managers' general policies on corporate governance, which reflect the recommendations of the UK Stewardship Code, and which are provided to the Trustee from time to time. The Trustee expects the investment managers to engage with companies in relation inter alia to ESG matters and to take these into account in the selection, retention and realisation of investments where appropriate.

The Trustee is comfortable with the investment 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.

Annually the Trustee receives and reviews voting information and engagement policies from the asset managers. This was last undertaken at the March 2021 Trustee meeting.

Having reviewed the above in accordance with their policies, the Trustee is comfortable that the actions of the investment managers are in alignment with the Plan's stewardship policies.

Additional information on the voting and engagement activities carried out for the Plan's investments is provided on the following pages.

The Trustee of the Sleepeezee Retirement Benefits Plan 1975
August 2021

BARNETT WADDINGHAM
beyond the expected

Voting Data

Voting only applies to equities held by the Plan, which solely applies to the segregated mandate managed by Ruffer. The table below provides a summary of the voting activity undertaken over the year to 31 March 2021, together with information on the proxy advisor used by Ruffer.

Manager	Ruffer
Name	Segregated mandate
Ability to influence voting behaviour of manager	The segregated mandate allows the Trustee to set Ruffer voting instructions for specific areas of concern or companies where feasible. However, the Trustees have not deemed it necessary to do so.
Number of company meetings the manager was eligible to vote at over the year	45
Number of resolutions the manager was eligible to vote on over the year	667
Percentage of resolutions the manager voted on	86.5%
Percentage of resolutions voted *with* management, as a percentage of the total number of resolutions voted on	91.7%
Percentage of resolutions voted *against* management, as a percentage of the total number of resolutions voted on	5.7%
Percentage of resolutions the manager abstained from, as a percentage of the total number of resolutions voted on	2.6%
Does the manager use proxy advisors?	Ruffer considers research and recommendations provided by Institutional Shareholder Services (ISS) However, Ruffer do not delegate stewardship activities and retain ultimate discretion in line with their own guidelines.
Percentage of resolutions voted contrary to the recommendation of the proxy advisor	8.8%

There are no voting rights attached to the other assets held by the Plan and therefore there is no voting information shown above for these assets.

Significant votes

For the first year of implementation statements, the Trustee has delegated to the investment manager(s) to define what a "significant vote" is. A summary of the data they have provided is set out below.

Ruffer, Segregated mandate

	Vote 1	Vote 2	Vote 3
Company name	Cigna	Lloyds Bank	Aena S.M.E
Date of vote	24 April 2020	21 May 2020	29 October 2020
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.0%	1.9%	0.5%
Summary of the resolution	Votes for re-election of non-executive directors	Vote on remuneration policy	Vote on shareholder resolutions relating to the company's climate transition plan.
How the manager voted	Against 6 non-executive directors	Against	For
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	No	Yes	No
Rationale for the voting decision	Taking into account the average tenure of members of the board, the regions in which the company is domiciled and the sector in which the company operates, Ruffer did not support the re-election of a number of directors because of concerns that they were not independent.	Ruffer decided to vote against the proposed remuneration policy as, although it reduces the maximum pay-out at the time of the grant, it significantly relaxes the vesting criteria. Therefore, Ruffer did not think it sufficiently incentivises management to deliver shareholder value.	Ruffer believe that climate-related risks may be significant for the long-term performance of Aena, and therefore supported these resolutions.
Outcome of the vote	Re-election proposals passed with a range of 96-99% shareholder approval	Remuneration policy passed with 64% approval.	The 3 resolutions passed with 99%, 98% and 97% shareholder support.
Implications of the outcome	Ruffer will continue to vote against the re-election of non-executive directors where they have concerns about their independence.	The company has made some changes to the remuneration of the new CEO. While the changes do not fully address Ruffer's concerns, they are more aligned to shareholder interests.	Management have committed to giving shareholders an annual vote on its climate transition plan.
Criteria on which the vote is considered "significant"	Votes against the election of directors for material holdings are considered significant by Ruffer.	Votes against remuneration policies for material holdings are considered significant by Ruffer.	Ruffer believe this vote will be of particular interest to their clients.

Fund level engagement

Information relating to fund level engagement policies was requested from the Plan's investment managers. The tables below provide a summary of the engagement activity undertaken by managers during the year, along with examples.

Manager	Janus Henderson	Legal & General Investment managers	Ruffer
Fund name	Multi Asset Credit Fund	Absolute Return Bond Fund	Segregated mandate
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	106	This data was not provided at a fund level	25*
Number of engagements undertaken at a firm level in the year	776	974	33
Examples of engagements undertaken with holdings in the fund	Janus Henderson has been engaging with Archroma since 2020 to review their ESG credentials given that management have always emphasised how sustainability is a key part of their strategy. The result was a better understanding of the firm by Janus Henderson, who upgraded their internal ESG rating of the company as a result. Janus Henderson engaged with Flamingo Horticulture regarding how the pandemic has impacted their supply chain and discussed ways to lower the company's carbon footprint. Currently, the company has not faced any supply chain disruption in its air freight based model. Nonetheless, Ruffer continue to engage with Flamingo to ensure the	*No fund level examples were provided but an example of LGIM's engagement as a firm is shown below.* LGIM has been engaging with Korea Electric Power Company (KEPCO) since early 2017 over concerns of poor climate risk disclosure and planned increases to their use of coal. This included divesting from KEPCO within their Future World range of funds in 2019. In October, KEPCO publicly pledged it would make no further investments in overseas coal projects. It would instead	Ruffer engaged with Countryside Properties on Governance issues including board composition and remuneration. Ruffer expressed their view that the company would benefit from a non-executive director with a proven track record in capital allocation as well as changes needed to be made to the remuneration policy to incentivise management in line with shareholders' interests. As at 31 March 2021, Ruffer had not yet received acknowledgement that their concerns would be addressed. Consequently, they decided to abstain on their votes in relation to

Manager	Janus Henderson	Legal & General Investment managers	Ruffer
	viability of its long-term business through the identification and adoption of alternative technologies to utilise more environmentally friendly distribution. Janus Henderson planned to follow up once the company has completed their analysis of alternative options and the impact on carbon emissions.	focus on renewables and natural gas, with all but two planned thermal coal projects either converted to liquefied natural gas or cancelled.	the re-election of all non-executive directors. They wrote to the company explaining their decision prior to the AGM.

*Represents engagement for Ruffer's pooled Absolute Return Fund, which is managed under a similar strategy to the Plan's segregated mandate and therefore has a high proportion of mutual engagement activities.