

IMPLEMENTATION STATEMENT OCTOBER 2020

# The Link Logistics Retirement Benefits Scheme

This document has been produced by the Trustees of The Link Logistics Retirement Benefits Scheme (the "Scheme").

The aims, policies and objectives of the Statement of Investment Principles ensure that the assets in the Scheme's Default Fund are invested in the best interests of the members.

This Implementation Statement notes in the opinion of the Trustees how the Statement of Investment Principles has been followed during the Scheme year.

The Scheme is fully insured with all assets invested in 'defined contribution' ("DC") funds. In addition to their DC fund entitlement, some Scheme members are also entitled to a Guaranteed Minimum Pension underpin. The Trustees' investment powers, including as applicable to the Default Arrangement, are set out in the Scheme's Trust Deed and Rules.

The Statement of Investment Principles was reviewed by the Trustees during the Scheme year and signed off in September 2020.

No significant changes were made to the Statement of Investment Principles and all deferred members remain invested in the default fund which is the Royal London Crest Secure Fund.

This is similar to a with profits fund but with a lower exposure to the stock market. Bonuses are declared annually and are added to the fund's value from time to time. The rate of bonus added will reflect the performance of the fund's assets, after allowance for expenses and a smoothing adjustment. The smoothing adjustment results in the annual declared bonus rate being more stable than the actual returns on the underlying assets. No Terminal Bonus applies to this fund.

The Trustees have reviewed the current position where the investment manager is responsible for the exercise of any rights (including voting rights) attached to the Scheme's investments.

The Directors of The Royal London Mutual Insurance Society Limited are responsible for setting the Fund's overall investment strategy, including the asset allocation and range of permitted asset classes which the fund may invest in. The Principles and Practices of Financial Management ("PPFM") outlines high level statements of the standards Royal London will follow in the management of the Fund.

In addition, the investment managers review companies in which they invest and use collaborative engagement when there is an opportunity to improve or change

the way a company is run or is behaving. For example, they may encourage the adoption of more environmentally friendly policies or advocate for improvements to be made to a company's corporate governance.

Royal London Asset Management (RLAM) publishes a fully searchable database of their voting record on their website. A recent example from September 2020 was RLAM voting against the re-approval of the auditors for Alibaba due to concerns over governance and the auditor's long tenure. The Trustees note numerous other examples of votes against excessive remuneration arrangements and other governance matters during 2020.

The Trustees are satisfied that this voting behaviour corresponds with their responsibilities to the Scheme members.