

# Brewin Dolphin Pension Fund

## Implementation Statement for year ended 5 April 2025

### Purpose

This Implementation Statement provides information on how, and the extent to which, the Trustees of the Brewin Dolphin Pension Fund (“the Fund”) have followed the policies documented in their Statement of Investment Principles (“SIP”) during the year ended 5 April 2025 (“the reporting year”). In addition, the Statement provides commentary on any manager engagement and significant votes cast during the reporting year.

### Latest review of the Statement of Investment Principles

In order to encourage Defined Contribution (DC) schemes to invest in illiquid assets, the UK Government has issued statutory legislation and guidance on the amendments to disclosure and reporting requirements. Trustees are now required to disclose and explain their policies on illiquid investments for their default arrangement(s). This includes all default arrangements and is not restricted to those where members did not make an investment choice. Trustees are now required to detail (i) whether default investment strategies will include illiquid assets and (ii) an explanation of whether the Trustees have any plans to invest in illiquid assets or increase their investment in illiquid assets in the future. As a result, the Trustees updated the Fund’s SIP in September 2024.

The expansion of the liquidity policy from the SIP is as follows:

Policy addition	Commentary
Liquidity policy	<p>Illiquid assets are those that cannot be easily or quickly exchanged for cash. The Trustees’ policy is to consider the benefits of all available asset classes when constructing the investment strategy of the default arrangement. This is to seek to improve member outcomes through improved risk-adjusted returns. Their policy is also that, at present, the default arrangement should have no allocation to illiquid assets. This is due to the Trustees giving more fundamental consideration at this time to how best to use the Fund to deliver members’ pension benefits; their policy on illiquid assets can only be considered properly once those higher-level considerations have taken place.</p> <p>The Trustees will consider the asset class again and will, in conjunction with training and research from their investment adviser as appropriate, determine whether there are suitable, future opportunities to invest in illiquid assets. At such time, the Trustees’ considerations will extend to the cost implications of investing in such assets.</p> <p>Therefore, it is currently the case that the Investment Manager is required to ensure all assets are held in asset classes that are sufficiently liquid to be realised if the Trustees or members require (i.e. the underlying investments are traded regularly on a public exchange or invested via units in a pooled fund with frequent dealing dates).</p>

## Investment-related activity during the reporting year

### Member interests

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Conflicts of interest were taken into consideration. It was noted and accepted that as well as acting as Trustees, certain individuals were employees and shareholders of RBC Brewin Dolphin as well as being members of the Fund. Any such conflicts of interest were deemed to be manageable.

The integration of Brewin Dolphin Holdings plc into the RBC business continued during the reporting period. As part of the integration, consideration was given to aligning the pension arrangement of both organisations. This resulted in the Fund being closed to new members and future contributions ceasing in November 2024, with all employed members auto enrolled in the RBC (UK) GPPP provided by Fidelity, thereafter. At the same time, Royal Bank of Canada became principal employer of the Fund. A member communications exercise was conducted to offer employed members the option to remain invested in the Fund as a deferred member or to transfer their deferred benefits to the new Fidelity GPPP (or to another registered scheme). This decision was taken as part of a wider pension consultation exercise.

### Investment governance

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The Trustees are responsible for the governance and investment of the Fund's assets. At each quarterly Trustees' meeting, the Investment Manager provided the Trustees with his investment management report and performance statistics, which contained the quarterly, annual and 3-year performance figures for the Default Balanced, Long-Dated Bond, Cash, Growth and Balanced Higher Equity Funds, as well as the Sustainable Growth Portfolio. In each case, performance was shown relative to the appropriate benchmark. The Trustees are also informed of the latest MSCI ESG ratings and scores for all of the available funds, with the exception of the Cash and Long-Dated Bond Funds, on a regular basis.

The latest Chair's Statement was discussed and produced in September 2024 and the Trustees again commissioned a Value for Members Assessment report during the reporting year using a methodology prescribed by XPS. The report considered the value for members from a wide perspective, including: charges and transactional costs, range of funds available, lifestyle, security of assets, employer contributions and other factors. This assessment showed the Fund to provide good value for members overall, as well as highlighting areas for further consideration by the Trustees.

Previously, the Trustees agreed to close the Trustee Investment Plans held with external providers in order to reduce risk and an ongoing governance burden. As at the reporting year end, the withdrawals from these legacy arrangements were in progress but had not all been completed.

The Trustees produced the annual Implementation Statement which showed how, and the extent to which, they have followed the policies within their SIP and how voting has been carried out during the year. The Statement was signed off in September 2024, and was made available on the publicly available external RBC Brewin Dolphin website.

### Engagement

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In order to ensure sufficient oversight of the engagement and voting practices of their underlying managers, the Trustees periodically meet with the Investment Manager and may discuss engagement which has taken place. The Trustees' investment adviser XPS, has had confirmation from the Investment Manager that various engagement activities had taken place during the reporting year and a few are covered below for four of the Fund's investment strategies.

<b>SUSTAINABLE GROWTH</b>
<b>Fund: BNY Mellon Sustainable Global Dynamic Bond Fund</b>
<b>Company: Cemex</b>
<p>Summary of engagement: Cemex, a significant GHG emitter, faces climate transition risks, necessitating a strong net zero strategy for long-term success. The company has ambitious 2025 emission reduction targets and plans to decrease coal usage, but its emissions-intensive industry poses challenges. To enhance its climate strategy, it is advised to increase the stringency of its 2025 targets and clarify its timeline for reducing reliance on pet coke and coal. While Cemex aims to use more alternative fuels by 2030, reducing coal and pet coke is challenging. Though open to discussions on boosting targets, Cemex cites complexities in setting realistic goals, emphasizing the need for continuous dialogue on its transition strategy.</p>
<b>DEFAULT BALANCED, GROWTH, BALANCED HIGHER EQUITY &amp; SUSTAINABLE GROWTH</b>
<b>Fund: Ninety-One Global Environment</b>
<b>Company: Schneider Electric</b>
<p>Summary of engagement: Schneider Electric, a leader in energy-management and industrial-automation solutions, supports electrification, decarbonisation, and digitalisation through its EcoStruxure platform. In 2024, engagement with Schneider's chairman focused on Scope 3 emissions targets and alignment with SBTi goals. Schneider aims to reduce CO<sub>2</sub> emissions of its top 1,000 suppliers by 50% by 2025, supported by concrete plans and financial incentives linked to sustainability outcomes, including employee and CEO performance metrics. Instead of severing ties with underperforming suppliers, Schneider provides support to enhance their carbon profiles. Emphasis was placed on carbon avoided as a KPI, promoting improved disclosures to underpin Schneider's growth in decarbonisation solutions. This engagement highlights Schneider's strong commitment to environmental goals, with their approach recognized as best practice. Ongoing monitoring will focus on carbon metrics.</p>
<b>SUSTAINABLE GROWTH</b>
<b>Fund: Trium Capital ESG Emissions Improvers Fund</b>
<b>Company: Saint-Gobain</b>
<p>Summary of engagement: Engagement with Compagnie de Saint-Gobain, a global leader in sustainable construction materials, focuses on the impact of their products in reducing building life-cycle emissions and leveraging the EU Green Deal. Since September 2019, discussions have been held with the CEO and other key stakeholders. Significant engagements included participation in Saint-Gobain's Capital Markets Day and ESG-focused events, where insights into sustainable solutions, such as the use of glass in tall buildings, were shared. These efforts contribute to 72% of the group's sales. Conversations highlighted strategic regulatory advantages and the need to address "carbon leakage" while encouraging demand and awareness of environmental products. Continued discussions in 2025 aim to further explore these directions and support Saint-Gobain's growth in sustainability.</p>

## Investment Manager review

To assess the performance of the Investment Manager, XPS's independent investment monitoring report was presented, which is prepared annually in respect of the Default Balanced Fund, the Growth Fund, the Balanced Higher Equity Fund and the Sustainable Growth Portfolio. The report compared the performance of the four funds with comparative funds available in the market, in recognition of the selected benchmarks. This particular review referenced Group Personal Pensions and Master Trusts as comparator funds, to align with the approach to be taken for future Value for Members assessments. The Trustees noted where the performance of these funds had not kept pace with the comparator funds, and discussed reasons for the differences with the Investment Manager.

## Trustee training

Some training was undertaken online, using materials provided by the Pensions Regulator under Code of Practice 7: Trustee Knowledge and Understanding (“TKU”). Trustees’ training records were logged and the Trustees confirmed that they had completed The Pension Regulator’s Trustee toolkit.

Training was also provided by XPS, as the Trustees’ adviser, during the Trustees’ meetings. Topics included matters to be considered when closing the Fund to future contributions; options for securing the future of the Fund; and the process for selecting a Master Trust as one possible alternative.

## Other relevant activity

Fund factsheets were also updated during the year, on a quarterly basis, and made available to members.

## The Trustees’ investment policies

The Trustees’ SIP documents various investment policies for the Fund on the topics listed in the table below; the table also provides commentary on how, and the extent to which, the various policies were followed during the reporting year.


Policy	How the policy was followed	The extent to which the policy was followed
Kinds of investments to be held (September 2024 SIP: 'Alignment of incentives' section of 04 Investment Strategy)	The policy was followed by the Investment Manager adhering to the constraints set by RBC Brewin Dolphin’s Asset Allocation Committee.	The Trustees’ policy was followed throughout the reporting year, in accordance with the constraints set.
Balance between different investments (September 2024 SIP: 'Alignment of incentives' section of 04 Investment Strategy, and detailed in Appendix B)	The policy was followed by the Investment Manager adhering to the constraints set by RBC Brewin Dolphin’s Asset Allocation Committee.	The Trustees’ policy was followed throughout the reporting year, in accordance with the constraints set.
Risks (measurement and management) (September 2024 SIP: 'Investment Manager' section of 06 Monitoring)	The policy was followed by scrutiny of the reporting provided at each Trustees’ meeting by the Investment Manager.	The Trustees’ policy was followed in full.
Expected return (September 2024 SIP: 'Investment Manager' section of 06 Monitoring)	The policy was followed through the use of performance monitoring reports covering the funds managed by the Investment Manager.	The Trustees’ policy was followed in full as the reports expected of the Investment Manager and investment adviser were all produced as requested for the relevant Trustees’ meetings and the Trustees discussed the findings of each report, in detail.
Realisation of investments (September 2024 SIP: 'Liquidity' section of 04 Investment Strategy )	The policy was followed by the Trustees deciding not to introduce any illiquid holdings into the Fund’s investment arrangements and the Investment Manager’s continued adherence to the constraints set	The Trustees’ policy was followed in full.

	by RBC Brewin Dolphin's Asset Allocation Committee.	
ESG (September 2024 SIP: 'Environmental, social and governance issues' section of 09 Other Issues)	The policy was met by the Investment Manager understanding the need to consider and manage ESG risks to the extent possible (albeit it was acknowledged that that extent was limited during the reporting year). The Trustees previously introduced a new Sustainable Growth Portfolio to align with their revised, ESG-related objective. They also requested and received information from MSCI in relation to the ESG credentials of all of the available fund options, with the exception of the Cash Fund and the Long-Dated Bond Fund.	The Trustees' policy was met to an extent deemed to be satisfactory.
Non-financial matters (September 2024 SIP: 'Environmental, social and governance issues' section of 09 Other Issues)	None of the above investment-related activities applied specifically in relation to this policy and it continued to be the case that the Investment Manager took no account of non-financial matters.	The Trustees' policy was met in full.
Exercise of rights (including voting rights) (September 2024 SIP: 'Voting policy' section of 09 Other Issues)	It was not possible to adhere to this policy, as discussed below.	The Trustees' policy was followed to the extent deemed possible.
Undertaking of engagement activities (September 2024 SIP: 'Voting policy' section of 09 Other Issues)	During the reporting year, there was no practical way for the Investment Manager to report on significant votes as the holdings are all in fund of funds. It is important, nevertheless, to monitor and encourage engagement by the underlying fund managers and to take part in significant votes for the investments held in their funds.  As discussed above, the Trustees do receive and consider examples of engagement activity of the underlying managers.	The Trustees' policy was followed to the extent deemed possible.
Incentives for asset managers to align their investment strategy and decisions with the Trustees' investment policies (September 2024 SIP: 'Alignment of incentives' section of 04 Investment Strategy)	The policy was followed by the Investment Manager adhering to the constraints set by RBC Brewin Dolphin's Asset Allocation Committee; and by the Trustees' monitoring processes.	The Trustees' policy was followed in full.
Incentives for asset managers to make decisions based on medium to long term financial and non-financial performance assessments of an issuer of	The policy was followed by scrutiny of the reporting provided at each Trustees' meeting by the Investment Manager.	The Trustees' policy was followed to the extent deemed possible.

debt or equity and to engage with the issuer in order to improve performance over the medium to long term  (September 2024 SIP: 'Engagement Policy' section of 04 Investment Strategy)		
Evaluation of an asset manager's performance and the remuneration for their services  (September 2024 SIP: 'Investment Manager' section of 06 Monitoring)	The policy was followed by scrutinising reports which monitor the Investment Manager's performance as described in the SIP and by acknowledgement that there had been no changes to remuneration arrangements.	The Trustees' policy was met in full.
Monitoring of "portfolio turnover costs"  (September 2024 SIP: 'Portfolio turnover costs' section of 06 Monitoring)	The Trustees consider monitoring turnover only when deemed appropriate in the context of their wider performance monitoring.	The Trustees understand that the Investment Manager's turnover costs are currently negligible and therefore these were not specifically monitored during the reporting year.
Duration of the arrangement with the asset manager  (September 2024 SIP: 'Investment Manager duration' section of 06 Monitoring)	The Trustees reviewed the performance of the Investment Manager during the reporting period at the May 2025 meeting, with the assistance of XPS. Where there was longer-term underperformance of the equity-focused funds versus their respective benchmarks, the Trustees discussed the reasons with the Investment Manager and changes that could potentially be made to more closely align respective performance figures in future. The Trustees also acknowledged that the long-term appointment of the Investment Manager may be influenced by broader Fund-related objectives other than performance alone.	The Trustees' policy was met in full.

## Voting

The Fund previously sold out of its holdings in investment trusts and hence the Trustees are not in a position to be able to participate in any voting activity. Further, the Trustees are satisfied that votes cast by underlying managers would not be deemed significant by virtue of the size of each underlying holding in relation to the size of the Default Balanced Fund, the Growth Fund, the Sustainable Growth Portfolio and the Balanced Higher Equity Fund as a whole.

  
Signed: \_\_\_\_\_, Chair of Trustees

Date: 25/09/25



#### Registration

XPS Pensions Consulting Limited, Registered No. 2459442. XPS Investment Limited, Registered No. 6242672. XPS Pensions Limited, Registered No. 3842603. XPS Administration Limited, Registered No. 9428346. XPS Pensions (RL) Limited, Registered No. 5817049. XPS Pensions (Trigon) Limited, Registered No. 12085392. Penfida Limited, Registered No. 08020393. Polaris Actuaries and Consultants Ltd, Registered No. 09640309. All registered at: Phoenix House, 1 Station Hill, Reading, RG1 1NB.

#### Authorisation

XPS Investment Limited is authorised and regulated by the Financial Conduct Authority for investment and general insurance business (FCA Register No. 528774).