

# *Implementation Statement, covering the Scheme Year from 1 September 2024 to 31 August 2025 (the “Scheme Year”)*

The Trustees of the Alfa Laval Limited Pension Scheme (the “Scheme”) are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed the voting and engagement policies in their Statement of Investment Principles (“SIP”) during the year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the year by, and on behalf of, the Trustees (including the most significant votes cast by the Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

In preparing the Statement, the Trustees have had regard to the [guidance on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement](#), issued by the Department for Work and Pensions (“DWP’s guidance”) in June 2022.

## **1. Introduction**

No changes were made to the voting and engagement policies in the SIP during the Scheme Year. The last time these policies were formally reviewed was during February 2024, when the SIP was reviewed and updated.

The Trustees have, in their opinion, followed the Scheme’s voting and engagement policies during the Scheme Year.

## **2. Voting and engagement**

The Trustees have delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement. However, the Trustees take ownership of the Scheme’s stewardship by monitoring and engaging with managers and escalating as necessary as detailed below.

As part of its advice on the selection and ongoing review of the investment managers, the Scheme’s investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers’ approaches to voting and engagement.

Following the introduction of DWP’s guidance, the Trustees set stewardship priorities to focus monitoring and engagement with their investment managers on specific ESG factors. These stewardship priorities are: Climate change, Human Rights, and Business Ethics. The Trustees communicated these priorities to their managers in May 2023.

The Trustees are conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve. Therefore, the Trustees aim to have an ongoing dialogue with managers to clarify expectations and encourage improvements.

## **3. Description of voting behaviour during the Scheme Year**

The Scheme did not invest in listed equities, nor any other investments that carried voting opportunities, during the period and therefore there is no voting activity to report on in this Statement. With no voting opportunities available, the Trustees did not use the services of a proxy voter during the period.