

Implementation Statement

The Dorchester Hotel Limited Retirement Benefits Scheme

Scheme year ended 5 April 2021

How voting and engagement policies have been followed

The Scheme invests entirely in pooled funds, and the Trustees delegate responsibility for carrying out voting and engagement activities to the Scheme's fund managers.

Investment managers will be asked to provide details of their stewardship policy and engagement activities on at least an annual basis, which the Trustees review to ensure alignment with their own policies. This is the first such exercise.

The Trustees monitor and engage with the investment managers about relevant matters (including matters concerning an issuer of debt or equity, including business performance, strategy, capital structure, management of conflicts of interest, ESG and corporate governance matters), through the Scheme's investment consultant.

Having reviewed the above in accordance with their policies, the Trustees are comfortable the actions of the fund managers are in alignment with the Scheme's stewardship policies.

Voting Data

Manager	Columbia Threadneedle Investments	Longview Partners
Fund name	Threadneedle Dynamic Real Return Fund	Longview Global Equity Fund (currency hedged)
Structure	Pooled	Pooled
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.	
Number of company meetings the manager was eligible to vote at over the year	358	31
Number of resolutions the manager was eligible to vote on over the year	4659	433
Percentage of resolutions the manager voted on	98.8%	100.0%
Percentage of resolutions the manager abstained from	2.4%	0.0%
Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	91.3%	95.0%
Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	6.3%	6.0%
Percentage of resolutions voted <i>contrary to the recommendation of the proxy advisor</i>	Data not provided	0.0%

Source: Columbia Threadneedle and Longview Partners

There are no voting rights attached to the other assets of the Scheme, which include LDI, Cash and an Absolute Return Bond Fund. As such, there is no voting information shown for these assets.

Significant votes

For the first year of implementation statements, the Trustees have delegated to the investment managers to define what a “significant vote” is. A summary of the data they have provided is set out below.

Manager	Columbia Threadneedle Investments	Longview Partners
Fund name	Threadneedle Dynamic Real Return Fund	Longview Global Equity Fund (currency hedged)
Company name	Amazon.com, Inc.	Arrow Electronics Inc.
Date of vote	27 May 2020	26 April 2020
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.61%	1.0%
Summary of the resolution	Elect Director Thomas O. Ryder	Advisory Vote on Executive Compensation
How the manager voted	Against	Against
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	No	Yes. In April 2020, Longview engaged with Arrow Electronics on a peer group change introduced by Longview's proxy voting provider (Glass Lewis).
Rationale for the voting decision	Director is an affiliate serving on a key committee.	Pay and performance disconnect.
Outcome of the vote	Pass	Information not provided.
Implications of the outcome	Active stewardship (engagement and voting) continues to form an integral part of Columbia Threadneedle's research and investment process.	Information not provided.
Criteria on which the vote is considered “significant”	Vote against management	Longview voted against management and >15% of total votes were against management

Fund level engagement

Manager	Columbia Threadneedle	Longview Partners	Legal & General Investment Management	BlackRock Investment Management*
Fund name	Threadneedle Dynamic Real Return Fund	Longview Global Equity Fund (currency hedged)	LGIM Sterling Liquidity Fund	BlackRock Absolute Return Bond Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	This data was not provided		This data was not provided at a fund level	This data was not provided at a fund level
Number of engagements undertaken at a firm level in the year	This data was not provided.		974	3691
Examples of engagements undertaken with holdings in the fund	Rio Tinto: Corporate governance and Social Risk Management. Uber Technologies, Inc: General material ESG risk management	Engaged with a range of companies on issues including: ESG (e.g. Frontdoor), Climate Change (e.g. W. W. Grainger) and Diversity & Inclusion (e.g. Omnicom).	Engaged with a range of companies on issues including: ESG disclosures, Remuneration and Climate Change	Engagement topics included, BHP Group: Lobbying and political expectations. Proctor & Gamble: Environmental impact management*

Source: Columbia Threadneedle, Longview Partners, Legal & General Investment Management and BlackRock Investment management

*These examples relate to engagement activities with issuers in the Sterling Investment Grade Corporate Universe

The Trustees believe that there is very limited scope for engagement in relation to the Liability driven investment ("LDI") funds, and therefore there is no information shown above for these assets.

Summary

Based on the information received, the Trustees believe that the fund managers have acted in accordance with the Scheme's stewardship policies. The Trustees are supportive of the key voting action taken by the fund managers over the period to encourage positive governance changes in the companies in which the funds hold shares.

The Trustees and their investment consultant are working with the fund managers to provide additional information in the future, including where indicated above, in order to enhance their ability to assess the fund managers' actions.

Prepared on behalf of the Trustees of The Dorchester Hotel Limited Retirement Benefits Scheme

June 2021