

PerkinElmer (UK) Money Purchase Pension
Scheme

Implementation Statement

December 2021

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Section 1: Introduction

This document is the annual Implementation Statement (“the Statement”) corresponding to the PerkinElmer (UK) Money Purchase Pension Scheme’s (“the Scheme”) Statement of Investment Principles covering the “Scheme Year” from 1 July 2020 to 30 June 2021 (“SIP”).

The purpose of this statement is to:

- Detail any reviews of the SIP the Trustee undertook during the Scheme Year, including the reasons for any changes made to the SIP over the year.
- Set out the extent to which, in the opinion of the Trustee, the SIP was followed during the Scheme Year.

The PerkinElmer (UK) Money Purchase Pension Scheme has a wide range of investments; therefore the principles and policies in the SIP are intended to be applied in aggregate and proportionately, focusing on areas of maximum impact.

Section 2: SIP review / changes

The SIP was reviewed and updated during the Scheme Year, with a revised version being adopted as at September 2020.

The revised version reflects the following changes to:

- Reflect the transfer of Equitable Life assets to Utmost Life & Pensions on 1 January 2020.
- Provide more information on the investment related risks faced by members.

The changes also reflected the Trustee's policies in relation to the new Department for Work and Pensions (DWP) regulations under section 2.3 of the Occupational Pension Schemes (Investment) Regulations 2005 coming into force from 1 October 2020. These new regulations require trustee boards to:

- Set out their policy in relation to their arrangements with their asset managers. This policy must set out the following matters, or explain the reasons as to why the following matters are not set out:
 - how the arrangement with the asset manager incentivises the asset manager to align its investment strategy and decisions with the trustees' investment policies
 - how that arrangement incentivises the asset manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term
 - how the method (and time horizon) of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the trustees' investment policies
 - how the trustees monitor "portfolio turnover costs" incurred by the asset manager, and how they define and monitor targeted portfolio turnover or turnover range
 - the duration of the arrangement with the asset manager.

Section 3: Adherence to the SIP

The Trustee considers that all policies outlined in the SIP have been adhered to during the Scheme Year. The remainder of this Statement sets out details of how this has been achieved and these details relate to those parts of the SIP which set out the Trustee's policies, and not those which are statements of fact.

The SIP comprises the following sections:

- Introduction
- Scheme objectives
- Investment strategy
- Investment managers
- Realisation of assets
- Monitoring and managing risk
- Other matters

Introduction

1. This paragraph provides introductory and background comments rather than setting out any policies.
2. The SIP has been reviewed in the Scheme Year with appropriate written advice and Company consultation.

Scheme objectives

3. This paragraph provides background information regarding the original purpose of the Scheme, changes over time and details of benefits payable from the Scheme.
4. The objective was reviewed as part of the overall SIP review

Investment strategy

5. The Trustee maintains an ongoing review of Scheme governance and risk exposure including monitoring against the Pensions Regulator's code of practice and assessment under the annual Chair's statement.
- 6 – 8. These are factual statements.
9. A detailed review of the Scheme's investment strategy was conducted during the Scheme Year which led to the Aegon Growth Tracker (Cash Target) Fund being adopted as the new

default investment option. Member assets invested in the previous default, the Aegon Growth Equity Tracker Lifestyle which targets annuity purchase, were not automatically switched to the new default without member consent.

The review also led to the Utmost Life & Pensions assets being transferred to the AEGON arrangement and invested in the new default investment option (Aegon Growth Tracker (Cash Target) Fund).

10 – 16. These paragraphs provide background and/or factual information although as mentioned above, the Aegon Growth Tracker (Cash Target) Fund was adopted as the new default investment option during the Scheme Year.

17. The Trustee received regular fund performance updates from Aegon as part of its monitoring of the Scheme's investment options.

Investment managers

18 – 19. No new managers were appointed during the Scheme Year and the Trustee will share the updated Statement of Investment Principles with AEGON to ensure they are aware of the Trustee's latest policies.

20. The Trustee reviews the investment managers' performance against the Scheme's long term objectives and an acceptable level of risk using the regular fund performance updates received from Aegon.

21 – 23. The Trustee has received reporting from the Aegon IGC to understand their approach to sustainable investment solutions. The IGC have held a number of meetings with Aegon and its investment team to better understand how ESG factors are taken into account when Aegon selects and governs fund managers, and are encouraged by the rigour and thought being applied to this key topic.

24. No new managers were considered for appointment by the Trustee over the Scheme Year.

25. See Section 4 for further information on voting and engagement.

26. The Trustee has not sought member views on non-financial considerations in line with its policy to focus on financially material considerations.

27. This is a factual statement.

28. The Trustee receives costs and charges reporting in preparing their Annual Governance Statement. In addition, an annual Value for Members assessment is undertaken which benchmarks the charges members pay for the investment options against other schemes, in order to understand whether the charges constitute good value.

Realisation of assets

29 – 31. These are factual statements.

Monitoring and managing risk

32. This is a factual statement.

33. The Trustee recognises the different risks faced by members which could ultimately lead to members accumulating insufficient assets to finance their desired level of consumption in retirement. As such, the Trustee seeks to provide members with a diversified range of investment options that will generate income and capital growth which will provide pension savings at retirement with which lump sums and/or retirement income can be secured.

The Trustee has sought to provide members with managed investment strategies suitable for different retirement objectives and the detailed review of the Scheme's investment strategy focused on the suitability of the Scheme's default option to ensure it remained appropriate to meet member needs.

Other matters

34. This is a factual statement.

35. As mentioned above, the Trustee recognises the different risks faced by members and seeks to provide members with a diversified range of investment options to manage and mitigate these risks in order to achieve their retirement objectives.

Section 4: Voting and engagement

The Trustee has not set any specific guidelines around manager voting.

The Trustee invests in pooled investment funds and as set out in the SIP, the Trustee's policy is to delegate the day to day ESG integration and stewardship activities (including voting and engagement) to the investment managers.

The Scheme's investment funds cover a range of asset classes, however this section focuses on the equity investments which have voting rights attached. BlackRock and HSBC have their own voting policies which determine their approach to voting, and the principles they follow when voting on investors' behalf. BlackRock and HSBC also use proxy voting advisors which aid in their decision-making when voting and details are summarised below.

BlackRock use of proxy advisor services

BlackRock subscribes to research from the proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis which contribute to, but do not determine, BlackRock's voting decisions which are made by the BlackRock internal stewardship team.

BlackRock primarily uses proxy research firms to synthesise corporate governance information and analysis into a concise, easily reviewable format so that their investment stewardship team can readily identify and prioritise those companies where BlackRock's own additional research and engagement would be beneficial. They do not follow any single proxy research firm's recommendations.

HSBC use of proxy advisor services

HSBC uses Institutional Shareholder Services (ISS) as its proxy voting service provider, for custom recommendations based upon HSBC's voting guidelines and for vote instruction. ISS provides custom recommendations for all companies held, whether in active or passive funds. Custom recommendations on passive holdings are reviewed by the stewardship team for the largest holdings and by active managers for holdings in common.

HSBC have global voting guidelines which protect investor interests and foster good practice, highlighting independent directors, remuneration linked to performance, limits on dilution of existing shareholders and opposition to poison pills.

Investment option	Underlying fund(s)	Voteable meetings	Voteable proposals	Proposals voted on	For votes	Against Votes	Abstain votes	Contrary to proxy advisor
Growth Tracker (Cash Target) Growth Tracker (Flexible Target)	HSBC Developed World Sustainable Equity Index	783	12,147	90.80%	91.40%	8.60%	0%	5.10%
	iShares UK Equity Index	1,204	15,484	99%	93%	6%	2%	0% 8 proposals
	iShares Continental European Equity Index	521	7,826	99%	85%	14%	1%	0% 3 proposals
	iShares North American Equity Index	664	8,142	99%	95%	4%	0%	0%
	iShares Japan Equity Index	507	6,030	100%	97%	2%	0%	1%
	iShares Pacific ex Japan Equity Index	644	5,006	100%	88%	11%	0%	0% 23 proposals
	iShares Emerging Markets Equity Index	2,454	23,094	100%	90%	9%	3%	1%
Balanced Passive Lifestyle	BlackRock Consensus 85	6,350	68,207	99%	91%	8%	2%	0% 541 proposals
Aegon BlackRock US Equity Tracker	ACS US Equity Tracker	612	7,428	99%	95%	4%	0%	0%
Aegon BlackRock European Equity Tracker	ACS Continental European Equity Tracker	452	7,045	99%	85%	14%	1%	0% 2 proposals
Aegon BlackRock UK Equity Tracker	ACS UK Equity Tracker	821	11,089	100%	94%	5%	0%	0% 2 proposals

Note. Figures may not total 100% due to a variety of reasons, such as lack of management recommendation, scenarios where an agenda has been split voted, multiple ballots for the same meeting were voted differing ways, or a vote of 'Abstain' is also considered a vote against management.

As outlined in the SIP, the Trustee recognises the UK Stewardship Code as best practice and monitors the Scheme's investment managers adherence to the Code. BlackRock and HSBC are signatories to the code and further information can be found by following these links:

Blackrock – www.blackrock.com/corporate/literature/fact-sheet/blk-responsible-investment-statementoncompliance-uk-stewardshipcode.pdf

HSBC – <https://www.assetmanagement.hsbc.co.uk/en/institutional-investor/about-us/responsible-investing/stewardship>

Significant votes

BlackRock do not record significant votes at a fund level and instead publish voting bulletins explaining their vote decision and the engagement and analysis underpinning it, on certain high-profile proposals at company shareholder meetings. Information on these high-profile voting proposals can be found by following this link

<https://www.blackrock.com/corporate/about-us/investment-stewardship#vote-bulletins>

THIS STATEMENT WAS APPROVED BY PERKINELMER (UK) PENSION TRUSTEES LIMITED ON 27 JANUARY 2022.