

Annual implementation statement for the year ending 31 December 2020

Belden (UK) Pension Plan

Introduction

This is the annual implementation statement prepared by the Trustees of the Belden (UK) Pension Plan (“the Trustees” of “the Plan”) covering the scheme year to 31 December 2020.

The purpose of this statement is to:

- set out the extent to which, in the opinion of the Trustees, the engagement policy under the Plan’s statement of investment principles (“SIP”) has been followed during the year
- describe the voting behaviour by, or on behalf of, the Trustees over the year.

A copy of this implementation statement will be made available on the Belden UK company website and included in the Trustees’ annual report and accounts for the year to 31 December 2020.

This is the first year of the Plan providing an implementation statement and the format of the statement is expected to evolve over time as practices are established.

Trustees’ voting and engagement policy

In line with the SIP, the Trustees have delegated all day-to-day investment decisions to the Plan’s sole investment manager (excluding AVCs), Legal & General Investment Management (“LGIM”). The Plan’s assets (excluding AVCs) are almost entirely passively managed and invested in pooled arrangements.

Due to the largely passive nature of the Plan’s investments, the Trustees recognise that few material decisions are taken by the investment manager on the holdings to be included in the portfolio. However, the Trustees expect that the extent to which social, environmental or ethical issues may have a fundamental impact on the portfolio will be taken into account by the investment manager in the exercise of their delegated duties.

The Plan’s investment manager is signed up to the UK FRC Stewardship Code. The Trustees expect LGIM to discharge their responsibilities in respect of investee companies in accordance with the Stewardship Code published by the Financial Reporting Council. The Trustees will monitor the activities of its manager on a regular basis but appreciate that its applicability may be limited for certain asset classes such as bonds.

The Trustees receive regular updates on the investment manager’s performance and whether there have been any changes to the investment manager’s research ratings. This is discussed at Trustee meetings together with whether the manager is performing in line with the Plan’s objectives. The Trustees are satisfied that the manager is engaging with investee companies in a manner aligned with the Plan’s long-term investment objectives.

The Trustees’ policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers.

Summary of voting over the year to 31 December 2020

Any equity investments for the Plan are held within LGIM’s Diversified Fund managed by via a combination of mostly passively managed pooled funds. The Trustees believe LGIM have a strong engagement process.

A summary of the voting on behalf of the Plan over the year to 31 December 2020 is provided in the table below:

Fund	Number of votes eligible	% of votes exercised	% of votes with management	% of votes against management	% abstained
LGIM Diversified Fund	112,453	98.76%	81.97%	17.48%	0.55%

Voting information on the Plan's non-equity holdings are not provided since the vast majority of these do not come with voting rights.

Significant votes

The table below demonstrates the most significant votes cast on behalf of the Plan over the year to 31 December 2020:

Fund	Most significant votes cast
LGIM Diversified Fund	<p>LGIM determined sixteen votes over the year to be "most significant" due to the following criteria:</p> <ul style="list-style-type: none"> the challenges of the COVID situation in monitoring investee company responses the complexities of executive remuneration packages proposals receiving media scrutiny and public interest proposals contrary to LGIM's five-year strategy to tackle climate change proposals contrary to increasing diversity on company boards <p>The Trustees agree with the above basis for determining significant votes.</p> <p>In seven of the significant votes, LGIM voted with management and these related to:</p> <ul style="list-style-type: none"> approval of remuneration reports and policies providing further clarity on the wind down of fossil fuel operations proposals for new board directors approving long term plans for tackling climate change and efforts to eliminate deforestation approval of shareholder proposals linking remuneration packages to the long-term performance of a company <p>In nine of the significant votes, LGIM voted against management and these related to:</p> <ul style="list-style-type: none"> approval of remuneration reports, policies and one-off payments that contradicted companies' recent performance and/or COVID-19 experience approving new board directors which do not add to the diversity of the current board or help the board meet reasonable diversification standards. approving non-independent directors for companies that do not seek to tackle climate change.

In the Trustees' opinion, the SIP has been followed during the year to 31 December 2020 in relation to voting and engagement.

Nigel Hill

For the Trustees of the Belden (UK) Pension Plan

July 2021