

The Waverton Staff Scheme

DC Implementation Statement

Year ended 31 March 2025

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1. Introduction

This document is the Annual Implementation Statement (the “Statement”) for The Waverton Staff Scheme (the “Plan”) which has been prepared by the Trustees of the Plan covering the 12 months ended 31 March 2025 (the “Plan Year”). The purpose of this Statement is to:

- detail any reviews of the Statement of Investment Principles (“SIP”) the Trustees have undertaken, and any changes made to the SIP over the Plan Year as a result of the review;
- set out the extent to which, in the opinion of the Trustees, the Plan’s SIP required under section 35 of the Pensions Act 1995 has been followed during the Plan Year; and
- describe the voting behaviour by, or on behalf of, the Trustees over the Plan Year.

A copy of this Statement has been published on a publicly accessible website and can be found at: <https://www.w1m.com/w1m-staff-scheme>

2. Review and changes to the SIP

The SIP sets out the principles governing decisions about investments of the Plan.

The SIP was reviewed during the Plan Year. Trustees agreed that a broader selection of investment mandates should be offered to members. It was agreed to address greater choice as part of a broader re-evaluation of the scheme design so that the wider choice of investment strategies does not detract from administrative efficiency. The Trustees have completed a review of the Plan’s investment strategy and will continue to do so annually. Relative performance of the investment mandates available to members is good when compared to a number of competitors. The trustees remain happy that the current mandate choices are aligned with the Trustees’ approach to responsible investing (Environmental, Social and Governance Issues).

3. Adherence to the SIP

The core objectives of the Plan’s SIP are to provide a range of investment options suitable to meet members’ needs, by providing options that give members a reasonable expectation of:

- optimising the value of their assets at retirement, allowing for individuals’ risk tolerances
- maintaining the purchasing power of their savings in real (i.e. post-inflation) terms
- providing protection for accumulated assets in the years approaching retirement against sudden (downward) volatility in the capital value, and fluctuations in the cost of annuities

These objectives will be weighed against the potential deleterious effects that increased complexity may have on the Plan’s cost structure.

The Trustees are of the opinion that the Plan’s SIP has been followed during the Plan Year.

Investment strategy

This was the third full year following the transition of the Plan’s investment strategy toward Waverton Investment Management’s Model Portfolio Service (MPS). This transition was recommended in order to enable simpler scheme administration, allow an expanded range of investment options for members and to mitigate key man risk. The fund manager has adopted an asset profile that conforms with the following:

Waverton Investment Management Limited Balanced MPS

The Waverton Investment Management Balanced MPS is intended for investors with a medium attitude to risk and a minimum time horizon of 6 years. The portfolio seeks a longer-term return of 3.0% above inflation measured by the UK Consumer Price Index (“CPI”) and consists of the following underlying profile.

- It has a natural equity weighting of 60%
- Equity range 40% to 80%
- Bonds & Cash range 15% to 60%
- Alternative Assets range 0% to 35%

Waverton Investment Management Limited Growth MPS

The Waverton Investment Management Growth MPS is intended for investors with a high attitude to risk and a minimum time horizon of 7 years. The portfolio seeks a longer-term return of 3.5% above inflation measured by the UK Consumer Price Index (“CPI”) and consists of the following underlying profile.

- It has a natural equity weighting of 75%
- Equity range 55% to 90%
- Bonds & Cash range 5% to 45%
- Alternative Assets range 0% to 25%

Access to both of these strategies was reviewed during the year. Currently Members are allowed either upon entry into the Plan or on an annual basis to alter their 100% allocation to either the Waverton Investment Management Growth MPS or the Waverton Investment Management Balanced MPS.

The trustees provide a Default investment strategy (“Default”) for those members who do not wish to make their own investment selections. The Default strategy is subject to life-styling as described in the Plan’s Statement of Investment Principles. The Trustee believes that the Default is appropriate for the majority of members but that does not necessarily mean that it is the most suitable option for all. The Plan’s administrators write to all members 12 months before scheduled life-styling commences to ensure the individual understands the implications of a decision they may have made many years previously.

Assessment of Environmental, Social and Governance Risk Factors

The Trustees expect that, when selecting investments for purchase, retention or sale, social, environmental and ethical considerations will be among the factors that the investment manager will take into account in the pursuit of long-term return. The Trustees are happy that Waverton’s integrated, non-exclusionary approach to responsible investment satisfies these expectations.

Compliance and Monitoring

The Trustees monitor compliance with the SIP through quarterly reports provided by the Investment Manager and regular meetings with them to ensure the strategy and objectives of the SIP are complied with. During the Plan Year, the Waverton Staff Scheme to 31 March 2025 yielded good net returns for the Balanced portfolio of +3.55% (3 years: 11.62% and 5 years: 48.07% and the Growth portfolio +2.93% (3 years: 12.85% and 5 years: 55.16%). The Trustees are satisfied that the performance of the investment funds during the Plan Year remains consistent with its aims and objectives as set out in the SIP.

The Trustees also consider the long-term performance of the funds as part of a wider investment strategy review at least on a triennial basis. The Trustees have the discretion to review the investment strategy if the Trustees’ aims and objectives as set out in the SIP are not met over the long- term.

Professional advice

The Trustees are aware of the requirement to take professional advice when setting up and reviewing the investment strategy. The Trustees work alongside professional financial advisers, Ascot Lloyd, to consider and review their investment strategy.

4. Voting policies and engagement

The Plan’s investment strategy is implemented via four open-ended funds that are held in a pooled nominee account. Voting is therefore delegated to the Investment Manager and monitored by the trustees.

The Plan’s investment manager, Waverton Investment Management, is an independent investment management firm. The trustees are confident that there are no significant conflicts of interest that might influence the firm’s voting behaviour. Waverton’s conflicts of interest policy can be found on their [website](#).

The investment manager does not engage in stock lending. All Equity positions held within the Waverton Model Portfolio Services which the plan offers to members are voted on in full.

Given the manager’s focus on multi-asset portfolio management, the commonality across different multi-asset “risk profiles” and the trustees’ desire to offer a broad range of risk profiles to members in due course, it was deemed appropriate to aggregate voting activity

	Voting activity
Waverton Fund Range	Number of companies for which proxy votes were cast: 212 Total resolutions eligible to vote: 11423 % of resolutions voted on for which eligible: 100 Percentage voted with management: 94% Percentage voted against management: 6% Percentage of resolutions on which voted, vote contrary to the recommendation of proxy adviser: 1%

across the manager’s fund range.

The trustees are confident the manager’s voting behaviour is consistent with the trustees’ investment objectives. Additional detail, including a number of notable engagement case studies, can be found in [Waverton’s Responsible Investment and Stewardship report](#).