

AMPHENOL PENSION PLAN

ENGAGEMENT POLICY IMPLEMENTATION STATEMENT

Financial Year Ending 31 December 2021

Introduction

This statement sets out how, and the extent to which, the Stewardship policy in the Statement of Investment Principles (SIP) produced by the Trustee, has been followed during the year to 31 December 2021. This statement has been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the guidance published by the Pensions Regulator.

Trustee Investment Objective

The Trustee's primary investment objective for the Plan is to achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due.

In doing so, the Trustee aims to maximise returns at an acceptable level of risk taking into consideration the circumstances of the Plan.

The Trustee also ensures that its investment objectives and the resultant investment strategy are consistent with the actuarial valuation methodology and assumptions used in the Statutory Funding Objective.

Policy on ESG, Stewardship and Climate Change

The Trustee understands that it must consider all factors that have the potential to impact upon the financial performance of the Plan's investments over the appropriate time horizon. This includes, but is not limited to, environmental, social and governance (ESG) factors.

The Plan's SIP includes the Trustee's policies on ESG factors, stewardship and climate change. The policies were last reviewed in September 2020. The Trustee keeps its policies under regular review, with the SIP subject to review at least triennially.

Plan's Investment Structure

The Plan invests in pooled investment vehicles managed by an investment manager. As such, the Trustee has a direct relationship with the Plan's underlying investment managers. The Trustee has the responsibility of selecting the pooled funds, in conjunction with advice received from their investment advisor, Mercer.

Engagement

In the relevant year, the Trustee has not engaged with the pooled fund managers on matters pertaining to ESG, stewardship or climate change. However, the Trustee reviews the ESG specific ratings within the performance reports (where ratings are derived by Mercer), which help to determine whether further action should be taken in respect of specific funds.

Voting Activity

The Trustee has delegated its voting rights to the investment managers of the Plan. The Trustee has not been asked to vote on any specific matters over the Plan year. Nevertheless, this Statement sets out a summary of the key voting activity of the pooled funds for which voting is possible (i.e. all funds which include equity holdings).

We note that best practice in developing a statement on voting and engagement activity is evolving and we will take on board industry activity in this area before the production of next year's' statement.

The table on the following page sets out a summary of the key voting activity over the financial year:

Manager / Fund	Proxy voter used?	Votes cast			Most significant votes (description)	Significant vote examples
		Votes in total	Votes against management endorsement	abstentions		
AXA Global Factors Sustainable Equity	<p>Institutional Shareholder Services (ISS), Proxinvest, and Institutional Voting Information Service - recommendations only.</p> <p>AXA makes its own voting decisions.</p>	<p>377 general meetings eligible for (votes were cast at 375 general meetings and across 5,171 resolutions)</p>	837	8	<p>When considering what constitutes a 'significant vote' AXA take into consideration a number of different aspects which each play an important role in the determination. These include topics which their clients consider of particular interest to them and which guides their voting and engagement work. These may include topics such as climate change, human capital and gender diversity issues, biodiversity concerns and others.</p> <p>Similarly, votes where AXA consider they may have a material financial or ESG risk or where significant governance or stewardship risks exists will also be considered significant. Other factors taken into consideration include the size of holding, whether the topic or issue is controversial, or as noted above where AXA are conducting specific focused engagement with a company as part of our key thematic research and engagement work.</p>	<p>Visa Inc: a vote 'against' was cast on electing director Lloyd A Carney.</p> <p>Rationale: The number of outside directorships raises concerns around time commitment.</p> <p>Outcome of vote – Accepted</p> <p>Implications: We will continue opposing directors with excessive number of external mandates.</p> <p>Significance: Material Governance Risk</p>

Schroder Diversified Growth	ISS, Institutional Voting Information Service - for recommendations only. Schroder makes its own voting decisions.	1728 proposals eligible for (1618 cast)	91	1	Schroder consider "most significant" votes as those against company management.	Schroders has been unable to provide all of the requested information and have specified that detailed bespoke fund-level voting data goes beyond their existing disclosures. At this point in time, they are reviewing the information they provide and are considering the best way to communicate this to clients.
Invesco Perpetual Global Targeted Returns	ISS and Glass Lewis – for research and recommendations only. Invesco makes its own voting decisions.	5250 votes cast	416	16	As part of the firm’s Shareholder Rights Directive II implementation, the following criteria are used when determining whether a voting item is significant; (i) materiality of the position, (ii) the content of the resolution and (iii) inclusion on Invesco’s ESG watchlist.	Origin Energy Limited. – Voted in line with management against approving the amendments to the company's constitution Rational: A vote against this resolution is warranted, as the request to amend the company's constitution is potentially broad with no regulatory framework to oversee shareholder proposals. Outcome of vote – Fail Significance: >1% Ownership and Includes Key ESG proposal