

The APC Pension Scheme.



Implementation Statement YE 5 April 2025

Schneider Trustees Limited (the 'Trustee') in its capacity as The Trustee of the APC Pension Scheme (the 'Scheme') has prepared this Implementation Statement in compliance with the governance standards introduced under the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (as amended). Its purpose is to demonstrate how, and the extent to which, the Scheme's Statement of Investment Principles (SIP) has been followed, if there has been any review of the SIP and how the policies on voting, stewardship and engagement have been followed. This statement covers the period 6 April 2024 to 5 April 2025.

A. Voting and Engagement Policy

The policy as set out in the SIP in respect of voting, stewardship and engagement is in summary as follows:

- i. The Scheme only invests via pooled investment funds, meaning that the Scheme's investments are pooled with those of other investors. It can be harder for those invested in pooled funds to exert their influence, given the other investors with a stake, but the Trustee still monitors and engages as much as possible.
- ii. Voting decisions on stocks are delegated to the investment manager(s) of the pooled funds held by the Scheme.
- iii. SEI, the Scheme's Fiduciary Manager, or the investment manager of a third-party pooled fund, has full discretion for undertaking engagement activities in respect of the investments.
- iv. Where the investment manager is SEI, they have pooled their holdings in their funds with other investors and employed a specialist proxy voting service provider for voting and engagement services.
- v. SEI will report on voting and engagement activity to the Trustee on a periodic basis together with its adherence to the UK Stewardship Code. The Trustee will consider whether the approach taken was appropriate or whether an alternative approach is necessary. The Fiduciary Manager is a signatory to the UK Stewardship Code.
- vi. The Trustee will assess the Fiduciary Manager's performance against objectives annually, including how well the Fiduciary Manager is aligned with the SIP in terms of ESG factors.

The Trustee is of the opinion that this policy has been followed during the year. In particular:

- The Trustee has received and reviewed quarterly reports from SEI that set out:

- How SEI has voted on all the shares where SEI has voting rights, including number of votes for, against and abstentions. For votes against, details of the issues to which the votes relate are provided.
- The number of companies engaged, and the number of milestones achieved by engagement issue.
- The Trustee reviewed the above quarterly reports throughout the Scheme year and monitored performance. The Trustee was satisfied with the content of the reports and that SEI's performance was in line with the SIP and the Trustee's expectations.
- The Trustee has considered SEI's voting practices and stewardship policies noting that they are a signatory to the UN Principles for Responsible Investment.
- The Trustee has a process in place to review SEI's performance against objectives, including ESG factors.

SEI's engagement priorities for the period under consideration included:

- Climate Change
- Sustainable Agriculture
- Modern Slavery
- Future of Work
- Board Governance

SEI's engagement efforts are primarily focused on public equities; however, many companies represented in these engagement efforts are also held in fixed income strategies. SEI believes that these fixed income funds also benefit from the positive progress that results from productive shareholder engagement. The engagement on climate change through SEI's collaboration with their engagement partner spans both equity and fixed income.

In light of the above and otherwise, the Trustee has considered their policy in regard to voting and stewardship and concluded that:

- SEI's voting and stewardship policies and implementation on behalf of the Trustee remain aligned with the Trustee's views on these matters.
- The current policy is appropriate, and no further action is required at this stage, albeit the Trustee will continue to monitor the performance of this policy and SEI's performance in the future.

B. Voting Record

All underlying securities in pooled funds that have voting rights are managed by SEI with SEI having the legal right to the underlying votes. SEI in turn uses Glass Lewis as a proxy voting service provider for all voting. SEI provides Glass Lewis with the holdings across all SEI's pooled funds, and the proxy votes are cast according to a policy set out by SEI. During the period from 6 April 2024 to 5 April 2025, SEI voted as follows across the Scheme's holdings¹.

Fund Name	Global Managed Volatility	Factor Global Managed Volatility
ISIN	IE00B19H3542	IE000OM5JZ76
Number of Votable Meetings	413	26
Number of Votable Items	5,549	355
% of Items Voted	96%	85%
For	88%	94%
Against	11%	6%
Abstain/Withheld/Other	1%	0%
% of votes with management	90%	95%
% of votes against management	9%	4%
% of votes other	1%	1%
Voting Against/Abstain by Category		
Capital Related	6%	0%
Board/Directors/Governance	44%	17%
Remuneration Related	15%	11%
Shareholder Proposals	30%	61%
Other	5%	11%

¹ Source: SEI and Glass Lewis. SEI has shown voting data for the quarters each fund was held.

C. Significant Votes

Highlights of some of the significant votes during the period are shown in the table below. These votes are considered to be significant as they may have a material impact on the company or the wider community. SEI selects votes based on one or more of the following criteria:

- Votes SEI considers to be high profile, which have such a degree of controversy that there is high client and/or public scrutiny.
- Votes relating to companies with a high or severe ESG risk rating.
- Votes relating to SEI's thematic priorities as described in Section A.

To date the Trustee has accepted SEI's position on what constitutes a significant vote, but this will be kept under consideration.

Company Name	Held in Fund(s) (% size of holding)²	Theme	Date of Vote and Outcome	Vote Decision and Significance of Vote
Toyota Motor Corporation	Global Managed Volatility (<0.5%)	Board Governance	Date: 14/06/2024 Outcome: For	Voted Against the proposal to Elect Akio Toyoda who has served as the top management of the Toyota Motor Corporation since June 2009. In recent years a series of fraudulent activities has come to light within the Toyota Group. Shareholders should be concerned about any instances of improper practices that do not align with the appropriate laws and regulations as such matters may expand in scale and prove to dampen shareholder value. These incidents raise serious concerns about the effectiveness of internal controls, governance structure, compliance awareness, and risk management within the Toyota Group. This vote is deemed significant as members of the board bear the responsibility of ensuring that the Group maintains appropriate internal controls as well as fair and reliable public disclosure. Mr. Toyoda holds responsibility for failing to ensure that the Group maintained appropriate internal controls and for the failure to ensure appropriate governance measures were implemented at Group companies. Moreover, given the widespread occurrence of issues throughout the Toyota Group, this further raises questions concerning the corporate culture which has developed under the leadership of Mr. Toyoda.
Fox Corporation	Global Managed	Board Governance	Date: 29/10/2024	Voted Against the proposal for the approval of Executive Pay Package for the former chief legal and policy officer's departure from his position. In August 2023, the company's chief

² % holding as at last day of the quarter in which vote occurred.

	Volatility (<0.5%)		Outcome: For	<p>legal and policy officer, Viet D. Dinh, stepped down from his position after the company entered a defamation settlement that forced its payment of \$787.5 million to Dominion Voting Systems. As reported by the Wall Street Journal among other news outlets, "Dominion Voting Systems accused Fox News of airing false claims that the voting-machine company's technology helped rig the 2020 presidential election in favour of President Biden. Fox, in its defence, said it was covering newsworthy election-fraud claims." Mr. Dinh's legal strategy of refusing to settle with Dominion Voting Systems sooner is seen as a key reason for the resulting cost to the company and shareholders and the substantial reputation damage to both Fox News and Fox Corp. As part of a Transition and Separation Agreement, Mr. Dinh would be paid a lump sum of \$23 million. This vote is deemed significant as the widely reported cost to the Company and shareholders through a legal settlement and reputational damage is excessive and the quantum of the separation-related payments is inappropriate.</p>
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D. Engagement Activity

Highlights of some of the engagements during the period are shown in the table below. SEI conducts shareholder engagement collaboratively through third-party specialists Sustainalytics and Columbia Threadneedle Investment reo. Each case study³ describes a milestone achieved relating to SEI's engagement priorities as described in Section A.

Company Name	Held in Fund(s)	Theme	Objective	Description
Vistra Corp	Global Managed Volatility	Material risk – Carbon own operations	Provide disclosure that provides investors with a full overview of material ESG risks, main mitigation strategies and performance	<p>Vistra is a leading U.S. integrated retail energy provider and power generation company based in Texas, serving four million residential, commercial and industrial retail customers and is also the largest competitive power generator in the U.S. Sustainalytics began engaging with the company in 2021 under their material risk program promoting disclosure that provides investors with a full overview of material ESG risks, main mitigation strategies and performance. Since first engaging with Sustainalytics, Vistra has announced a long-term goal to achieve net-zero carbon emissions by 2050, assuming advances in technology and supportive public policy. The company states this goal will be science based and will include scope 3 emissions. Additionally, Vistra hired a new chief strategy and sustainability officer as well as a senior director of sustainability and strategy in late 2022.</p> <p>In Q2 of 2024 Sustainalytics held a call with Vistra where they agreed to open the engagement calls to investor participation and also agreed to participate in Sustainalytics' net zero transition engagement program. During the call Sustainalytics recommended that Vistra seek external audit of its environmental management system along with certification to ISO 14001 and disclose external audit frequency and corrective actions to stimulate continual improvement. In addition, it was recommended that the company disclose training and awareness programs for employees and internal and external communications on environmental management. Sustainalytics will hold a follow up call with the company in Q3 of 2024.</p>

³ Source: SEI and Sustainalytics.

The information relating to the significant votes is derived from public third-party source(s). While the information is believed to be reliable, SEI has not sought to verify it independently. This material is intended to be for information purposes only and has been provided to SEI's client at their request. This data is not intended as promotional material in any respect.