

Ansa Logistics Pension Plan

Implementation Statement covering the year ending 31 December 2021

This is the Implementation Statement prepared by the Trustee of the Ansa Logistics Pension Plan (“the Plan”) and sets out:

- How the Trustee’s policies on exercising rights (including voting rights) and engagement have been followed over the year.
- The voting behaviour of the Trustee, or that undertaken on their behalf, over the year to 31 December 2021.

How voting and engagement policies have been followed

The Plan invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Plan’s fund managers.

The Trustee undertook a review of the stewardship and engagement activities of the current managers during the year to 31 December 2021, and is satisfied that their policies were reasonable and no remedial action was required at that time.

Annually the Trustee receives and reviews voting information and engagement policies from the asset managers which it reviews to ensure alignment with its own policies.

Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the fund managers are in alignment with the Plan’s stewardship policies.

How the SIP has been followed over the year

In the Trustee’s opinion, the Statement of Investment Principles has been followed over the year in the following ways:

- The Trustee monitors the performance of the manager funds quarterly to ensure that the funds are meeting their stated objectives. Our Investment Consultants and managers provide quarterly reports for review.
- The Trustee considered the ESG capabilities of the Plan’s managers at the investment strategy training meeting in February 2021 and subsequently agreed that the managers’ policies are reasonable. No immediate change to the Plan’s investment managers was made as a result of this exercise.
- The Trustee regularly reviews the ESG capabilities of the managers as part of the monitoring process and a rating for the ESG capabilities of each manager is included in the quarterly reports.

- The Trustee has made no new manager appointments over the year.

Voting Data

Voting only applies to equities held in the portfolio. The Plan's equity investments are held through pooled funds, and as such the investment managers of these funds vote on behalf of the Trustee.

The table below provides a summary of the voting activity undertaken by each manager during the year to 31 December 2021, together with information on any key priorities and information on the use of proxy voting advisors by the managers.

Manager	State Street Global Advisors	Aviva Investors	Columbia Threadneedle Investments
Fund name	State Street MPF Global Equity (50/50) Index Fund	Aviva Investors Multi-Strategy Target Return Fund	Threadneedle Dynamic Real Return Fund
Structure	Pooled		
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.		
Number of company meetings the manager was eligible to vote at over the year	3,485	545	368
Number of resolutions the manager was eligible to vote on over the year	42,408	5,810	4,694
Percentage of resolutions the manager voted on	99.7%	96.8%	100.0%
Percentage of resolutions the manager abstained from	1.3%	1.9%	2.6%
Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	90%	63%	91%
Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	10%	35%	7%
Percentage of resolutions voted contrary to the recommendation of the proxy advisor	7%	27%	Not applicable*

The proportion of resolutions that were voted on or abstained from may not sum to 100%. This can be due to rounding or how managers or local jurisdictions define abstentions or classify formal voting or abstentions as opposed to not returning a voting form or nominating a proxy.

*Proxy voting decisions are made in accordance with the principles established in the Columbia Threadneedle Investments Corporate Governance and Proxy Voting Principles (Principles) document, and the proxy voting practices are implemented through their Proxy Voting Policy.

For those proposals not covered by the Principles, or those proposals set to be considered on a case by case basis (i.e., mergers and acquisitions, share issuances, proxy contests, etc.), the analyst covering the company or the portfolio manager that owns the company will make the voting decision. Columbia Threadneedle utilise the proxy voting research of ISS and Glass Lewis & Co., which is made available to their investment professionals.

Significant votes

The Trustees have delegated the process of defining what a “significant vote” is to the investment managers. A summary of the data provided is set out below. State Street Global Advisors did not provide a useable list of significant votes and thus no information has been provided for this manager.

Columbia Threadneedle Investments, Threadneedle Dynamic Real Return Fund

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
Company name	Caterpilla Inc.	Caterpilla Inc.	Royal Dutch Shell Plc.	Eli Lilly and Company	Chalice Mining Ltd.
Date of vote	09/06/2021	09/06/2021	18/05/2021	03/05/2021	24/11/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.03%	0.03%	0.15%	0.04%	0.00%
Summary of the resolution	Report on Climate Policy	Report on Diversity and Inclusion Efforts	Request Shell to Set and Publish Targets for Greenhouse Gas (GHG) Emissions	Report on Lobbying Payments and Policy	Approve issuance of Options to Stephen McIntosh
How the manager voted	For	For	Abstain	For	Against
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	Information not provided	Information not provided	Information not provided	Information not provided	Information not provided
Rationale for the voting decision	Supporting better ESG risk management disclosures	Supporting better ESG risk management disclosures	Not in shareholders' best interest	Supporting better ESG risk management disclosures	Remuneration concerns
Outcome of the vote	Fail	Fail	Fail	Fail	Pass
Implications of the outcome	Active stewardship (engagement and voting) continues to form an integral part of Columbia Threadneedle's research and investment process.				
Criteria on which the vote is considered “significant”	Vote against management	Vote against management	Vote against management	Vote against management	Vote against management

Columbia Threadneedle Investments, Dynamic Real Return Fund (cont.)

	Vote 6	Vote 7	Vote 8
Company name	Sun Hung Kai Properties Limited	Sun Hung Kai Properties Limited	Sun Hung Kai Properties Limited
Date of vote	04/11/2021	04/11/2021	04/11/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.00%	0.00%	0.00%
Summary of the resolution	Authorise reissuance of repurchased shares	Adopt New Share Option Scheme of SmarTone Telecommunications Holdings Limited	Elect Wu Xiang-Dong as Director
How the manager voted	Against	Against	Against
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	Information not provided	Information not provided	Information not provided
Rationale for the voting decision	Dilutive impact	Remuneration concerns	Attendance concerns
Outcome of the vote	Pass	Pass	Pass
Implications of the outcome	Active stewardship (engagement and voting) continues to form an integral part of Columbia Threadneedle's research and investment process.		
Criteria on which the vote is considered "significant"	Vote against management		

Aviva Investors, Multi-Strategy Target Return Fund

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
Company name	Anglo American Plc.	Chevron Corporation	Exxon Mobil Corporation	Microsoft Corporation	Royal Dutch Shell Plc.
Date of vote	05/05/2021	26/05/2021	26/05/2021	30/11/2021	18/05/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.09%	0.04%	0.02%	0.34%	0.85%
Summary of the resolution	Resolution 1. Approve Matters Relating to the Demerger of Thungela Resources Limited	Shareholder resolution 4. Reduce Scope 3 Emissions	Shareholder resolutions 1.1. Elect Director Gregory J. Goff, 1.2. Elect Director Kaisa Hietala, 1.3. Elect Director Alexander A. Karsner and 1.4. Elect Director Anders Runevad	Resolution 6. Report on Effectiveness of Workplace Sexual Harassment Policies	Resolution 20. Approve the Shell Energy Transition Strategy
How the manager voted	For	For	For all	For	Against
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	Yes	Yes	Yes	No	Yes
Rationale for the voting decision	The vote was to demerge the Company's thermal coal operations in South Africa,	A vote for this proposal was considered warranted, as additional information	Engine No. 1 nominated four directors to Exxon's 12-member board. This proxy	Aviva believe it is important to support this resolution as the company faces potential	RDS has made substantive progress over the last year in announcing a net zero

Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
<p>to operate as a separate independent entity, under the name Thungela Resources Ltd. Aviva supported the demerger as it forms part of the responsible transition / Anglo American's strategy to continue reducing its thermal coal production footprint and overall trajectory towards those products that enable a low carbon economy.</p>	<p>on the company's efforts to reduce its carbon footprint and align its operations with Paris Agreement goals would allow Aviva / other investors to better understand how the company is managing its transition to a low carbon economy and climate change related risks.</p>	<p>contest was the first at a large-cap company in the United States in which the quantitative case for change was explicitly constructed around considerations relating to an energy transition. Since the dissident launched its campaign in December, Exxon has added three directors. Aviva supported the four more climate competent nominees proposed by the dissident and voted against all incumbent directors on the basis of Exxon's lack of preparedness for an energy transition and its attempt to block these climate-related shareholder proposals.</p>	<p>controversies related to workplace sexual harassment and gender discrimination. This is a risk area for the sector and the company that is key for talent attraction and retention. Aviva know the importance of additional information on the company's sexual harassment policies and the implementation of these policies, in order to better assess how the company is addressing such risks and how better disclosure in the best interest of shareholders.</p>	<p>commitment for operational emissions by 2050, alongside greater reductions in the carbon intensity of its products (e.g. scope 3 emissions), bolstered by interim targets. It has also taken an important step forward in strengthening scenario analysis, a long standing engagement request, and is setting the pace on climate-linked executive remuneration in the space. However, its transition strategy remains unconvincing benchmarked to certain peers. The biggest sticking point is its plan to decarbonise "in step with society" hides behind intensity targets and an unacceptably broad range of potential emissions outcomes to 2030. Aviva doubt RDS will be able to deliver enough absolute reductions to comply with the Paris climate agreement. Furthermore, it doesn't plan to shift investments substantially away from fossil fuels to renewables, and plans to increase natural gas production. The plan to become a net zero emissions company involves decarbonising existing fossil fuel businesses but</p>

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
					<p>continuing to invest in them, while “over time” ploughing more funds into gas, chemicals, cleaner technology and selling power. In sharp contrast to European peers focusing on increasing renewable power generation, RDS is instead prioritising doubling the electricity it sells by 2030 through more customer-focused businesses. At the same time, its strategy is heavily dependent on the scaling of technology such as CCUS and NBS, and lofty goals raise questions about execution. In the case of NBS, for example, its new low carbon scenario, Sky 1.5, is reliant on a new forest the size of Brazil being planted to reach the higher end of the Paris goals. For the above reasons Aviva were hesitant to rubber stamp RDS’ strategy and a vote against was considered warranted. Having said that, this is going to be the first vote of many so Aviva hope to be able to support going forward.</p>
Outcome of the vote	Approved with 94% of the votes cast	Approved with 61% of the votes cast	Resolutions 1.1. (Elect Director Gregory J. Goff), 1.2. (Elect Director Kaisa Hietala) and 1.3. (Elect Director Alexander A. Karsner) were approved.	Passed with 78% of the votes cast	Passed with 89% of the votes cast

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
			Resolution 1.4. (Elect Director Anders Runevad) was not approved		
Implications of the outcome	<p>Engagement with the company on climate change is of course ongoing and the speed of change is a substantial factor in Aviva's investment considerations. The demerger is another step in the right direction.</p>	<p>Aviva have written to Chevron, being one of the top global carbon emitters, detailing their expectations of a robust climate strategy and approach. Aviva indicated that they are committed to divest holdings across their equity and credit strategies (as a last resort) if progress does not reflect the gravity and urgency of the climate emergency. The majority support for the resolution helps Aviva's cause. They will be reviewing progress over the year and if insufficient, they will escalate their voting and engagement.</p>	<p>There is an increasing need for ExxonMobil to better align its climate strategy with target setting in line with global peers and its public policy efforts related to climate risks. There was a lack of energy sector expertise in its boardroom and questions about board independence and Aviva / other investors were not seeing sufficient progress on addressing these fundamental issues. The new directors elected appear well positioned to add both conventional oil and gas industry and transformational energy perspectives to Exxon's board and Aviva believe they will help speed up progress. The result of the meeting is a significant victory and will serve as a catalyst for investors to adopt more aggressive measures to bring about changes in the boards of directors of their investee companies that have failed to meet shareholder expectations course, however, Aviva are keeping the Exxon board and progress on climate under close review.</p>	<p>Aviva are engaging with the company on related shareholder proposals and they will continue to support shareholder resolutions which are in the best interest of shareholders.</p>	<p>Although the company is clearly making progress in the energy transition, Aviva have made it clear to the company that this isn't sufficient / they are not yet convinced and that the issue will be an increasingly important factor in their investment considerations. Aviva are having numerous engagements with the company throughout the year.</p>

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
Criteria on which the vote is considered "significant"	This vote was selected given the materiality of climate change / other environmental issues to the investment case.	This vote was selected given the voting issues is deemed sufficiently material to the investment case.	This vote was selected given the firm's future performance and its impact on climate change / the environment are so dependent on how quickly it can transition to cleaner energy.	This vote was selected as it was a shareholder resolution which received overwhelming support against management recommendation.	This vote was selected as the holding represents a relatively large part of the fund and given the materiality of climate change / other environmental issues to the investment case.

Aviva Investors, Multi-Strategy Target Return Fund (cont.)

	Vote 6	Vote 7	Vote 8	Vote 9
Company name	Samsung Electronics Co. Ltd.	Skyworks Solutions, Inc.	Skyworks Solutions, Inc.	Tongcheng-Elong Holdings Ltd.
Date of vote	17/03/2021	12/05/2021	12/05/2021	31/05/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.41%	0.18%	0.18%	0.02%
Summary of the resolution	Resolution 2.1.1. Elect Park Byung-gook; 2.1.2. Elect Kim Jeong and 3. Elect Kim Sun-Uk as Outside Directors	Resolution 5. Adopt Simple Majority Vote	Resolution 1e. Elect Director Christine King	Resolution 2a2. Elect Dai Xiaojing as Director
How the manager voted	Against all	For	Against	For

	Vote 6	Vote 7	Vote 8	Vote 9
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	Yes	No	Yes	Not applicable
Rationale for the voting decision	<p>Aviva voted against incumbent directors Byung-gook Park, Jeong Kim, and Sun-Uk Kim as they collectively have failed to remove criminally convicted directors from the board. The inaction is indicative of a material failure of governance and oversight at the company. Further, Aviva are concerned over the lack of gender diversity on the Board</p>	<p>Eliminating the supermajority vote requirements in the company's existing governing documents would enhance shareholder rights. In fact, the supermajority voting requirements have stymied the company's repeated attempts to achieve this reform over the last five years. The approval of this proposal would expand shareholders' voice in amending the governance documents that impact their rights and would be a step in a positive direction for the company's governance practices."</p>	<p>This vote against the Lead / most senior non-executive director reflect Aviva's concerns over the company's poor score in the Corporate Human Rights Benchmark (CHRB), an initiative that helps investors and wider stakeholders to better understand the company's human rights approach and relative positioning compared to industry peers. The company scored only 4 on the CHRB overall and zero on the due diligence section. Further, this Director is the Chair of the remuneration committee and Aviva have had significant concerns over remuneration arrangements for a number of years that have not been satisfactorily addressed.</p>	<p>Under normal circumstances Aviva would have voted against the re-election of this director to reflect their concerns that women represent less than 20% of the board. However, Aviva have exceptionally supported their re-election this year as there is evident progress (11%). Instead, they will monitor progress for next year.</p>
Outcome of the vote	All resolutions were passed	Passed	Passed	Passed with 97% of the votes cast
Implications of the outcome	<p>Although the resolutions were approved, as Aviva are active holders of the stock and as Samsung is part of their core coverage, Aviva intend to follow up with the company on</p>	<p>The fact that the resolution was approved and also that the Board itself had previously tried to move to a majority vote system signals an improvement in terms of corporate governance and shareholder rights. Aviva have been engaging with the</p>	<p>Aviva have engaged with the company on a broad Range of ESG issues including the CHRB index which they have encouraged the company to engage constructively with. Aviva also engaged with the company as part of an investor collaboration coordinated</p>	<p>Aviva engaged with the company regarding their expectations for improved diversity on the Board. Aviva are unlikely to support the relevant Board director(s) at the 2022 AGM if they have not seen further improvement.</p>

	Vote 6	Vote 7	Vote 8	Vote 9
	these governance issues and on broader ESG themes.	company on broader ESG issues such as its performance on human rights.	by the Investor Alliance for Human Rights. If the company does not address their concerns by next year Aviva will escalate their voting action and engagement.	
Criteria on which the vote is considered "significant"	This vote was selected given the materiality of the governance issues at the company and as it is part of Aviva's core coverage.	This vote was selected given the company is a relatively large part of the fund and that the issue that Aviva flagged deemed sufficiently material.	This vote was selected given the company is a relatively large part of the fund and that the issue that Aviva flagged deemed sufficiently material.	This vote was selected given the company is a relatively large part of the fund and that the issues that Aviva flagged (together with broader ESG considerations) deemed sufficiently material.

Fund level engagement

It should be noted that State Street have provided the following information at a firm level. We are working with State Street to obtain consistent fund level engagement data in future.

Manager	State Street Global Advisors	State Street Global Advisors	Aviva Investors	Columbia Threadneedle Investments
Fund name	State Street MPF Global Equity (50/50) Index Fund	State Street MPF UK Index Linked Gilts All Stocks Index Fund State Street MPF Sterling Non-Gilts Bond Over 15 Years Index Fund State Street MPF UK Index Linked Gilt Nov 2055 Index Sub-Fund State Street MPF UK Index Linked Gilt Nov 2037 Index Sub-Fund	Aviva Investors Multi-Strategy Target Return Fund	Threadneedle Dynamic Real Return Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	The investment manager did not provide this information.	The investment manager did not provide this information.	648	127
Number of engagements undertaken at a firm level in the year	889	889	2,959	230
Current strategic engagement topics	Climate Change Human Capital Management Diversity, Equity and Inclusion Effective Board Leadership	Climate Change Human Capital Management Diversity, Equity and Inclusion Effective Board Leadership	Climate Change Ethnic & Social Diversity Human Rights Governance	Environment/ Pollution Waste Natural resource use/impact (e.g. water, biodiversity)