

IMPLEMENTATION STATEMENT

Timbmet Group Pension Fund



The Trustee of the Timbmet Group Pension Fund has prepared this implementation statement in compliance with the governance standards introduced under The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019. Its purpose is to demonstrate how the Fund has followed the policy on voting, stewardship and engagement as set out in the Fund's Statement of Investment Principles (SIP), dated 5 July 2019 and updated on the 22 September 2020. This statement covers the period 31 March 2020 to 31 March 2021.

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. Voting decisions on stocks are delegated to the investment manager of the pooled funds held by the Fund.
- ii. SEI, the Fund'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.
- iii. Where the investment manager is SEI, they have pooled their holdings in their funds with other investors and employed a specialist ESG provider for voting and engagement services.
- iv. 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.
- v. The SIP dated 22 September 2020 set out new policies in respect of asset manager arrangements. In relation to voting, stewardship and engagement, a policy was introduced that 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. No other changes were made to the voting, stewardship and engagement policies.

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

- The Trustee has received 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 issue to which the vote relate is provided.
 - SEI's engagement priorities which for 2020 included priorities in each of the following categories:
 - Climate Change
 - Public Health
 - Environmental stewardship
 - Labour Standards

- The number of companies engaged and the number of milestones achieved by engagement issue and a rating of its significance.
- The Trustee has considered SEI's voting practices and stewardship policies noting that they are a Tier 1 signatory to the UK Stewardship code and 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.

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 remain aligned with the Trustee's views on these matters.
- The current policy is appropriate and no further action is required.

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 use a Specialist ESG Provider as a proxy for voting and provide the Specialist provider with the holdings across all SEI's pooled funds. During the period from 1 April 2020 to 31 March 2021, across the Fund's holdings¹ SEI voted as follows:

Fund Name	Global Managed Volatility	Global Select Equity	Dynamic Asset Allocation	Global Factor Equity	US Small Cap
ISIN	IE00B19H3542	IE00B295X008	IE00B5NNKL10	IE00BDD7WJ18	IE0034296800
Number of Votable Meetings	584	510	760	85	358
Number of Votable Items	7905	8796	14927	1024	3467
% of Items Voted	97%	97%	97%	94%	100%
For	74%	80%	81%	91%	74%
Against	22%	18%	17%	8%	19%
Abstain/ Withheld/ Other	4%	2%	2%	1%	7%
% of votes with management	75%	81%	82%	91%	74%
% of votes against management	25%	19%	18%	8%	26%
% of votes other				1%	
Voting Against/Abstain by Category					
Capital Related	4%	4%	5%	5%	0%
Board/Directors/Governance	54%	43%	40%	51%	41%
Remuneration Related	23%	28%	30%	16%	40%
Shareholder Proposals	7%	9%	9%	16%	2%
Other	13%	15%	16%	13%	16%

¹ SEI has shown voting data for the relevant quarters the fund was invested in. Q1 Voting Data for Global Factor Equity.

Fund Name	UK Fundamental Equity	UK Quantitative Equity	Pan Euro Small Cap	Emerging Markets Equity
ISIN	IE00B3KF4Q98	IE00B3KF5336	IE0033306527	IE0002515637
Number of Votable Meetings	52	214	269	631
Number of Votable Items	982	3738	4197	5843
% of Items Voted	96%	100%	78%	99%
For	93%	96%	86%	79%
Against	6%	4%	13%	16%
Abstain/ Withheld/ Other	1%	0%	1%	5%
% of votes with management	93%	96%	87%	82%
% of votes against management	7%	4%	12.5%	17%
% of votes other			0.5%	2%
Voting Against/Abstain by Category				
Capital Related	8%	0%	10%	14%
Board/Directors/Governance	26%	33%	28%	49%
Remuneration Related	48%	45%	42%	14%
Shareholder Proposals	0%	4%	6%	3%
Other	18%	18%	13%	21%

C. Significant Votes

A highlight of some of the significant votes during the period are shown in the table below. Whilst many votes may have a significant impact on the financial or non-financial performance of a company, the ones below have been drawn out as they are part of a wider engagement that SEI has been conducting with the particular company and hence reflect the achievement of an engagement milestone.

Company Name	Held in Fund(s)	Theme	Description
Kellogg Company	Global Managed Volatility Global Select Equity	Corporate Governance	Introduced annual election of directors (instead of staggered or classified election) through our voting.
Intel	Global Managed Volatility Global Select Equity	Labour Standards	Voted against a report on Global Median Gender/ Racial Pay Gap due to the shortcomings of the report methodology. Whilst we are overall supportive of enhanced diversity and pay equity disclosure, we consider that a 'global median gender/racial pay gap' report would not produce meaningful information about the worker fairness because categories or underrepresented minorities differ from country to country.

Kroger co	Global Managed Volatility Global Select Equity	Human Rights	Although the Management recommendation was Against the proposal, we voted For the report on Human Rights Due Diligence Process in Operations and Supply Chain. The company faces risks related to human rights in its global operations. Good practice includes developing a clear code of practice along with monitoring and effective disclosure to ensure risks are managed effectively and communicated to shareholders.
Granite Real Estate Investment Trust	Factor Allocation Global Equity	Corporate Governance	Enhanced shareholder rights through adoption of an advisory shareholder vote on executive remuneration. SEI pushed for this through our voting.
Diversified Healthcare Trust	US Small Companies	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders. SEI pushed for declassification through our voting.
Industrial Logistics Properties Trust	US Small Companies	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders. SEI pushed for declassification through our voting.
Service Properties Trust	US Small Companies	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders. SEI pushed for declassification through our voting.
Vistra Energy Corp	US Small Companies	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders. SEI pushed for declassification through our voting.

Approved by the Trustee of the Timbmet Group Pension Fund on 5 August 2021.