

IMPLEMENTATION STATEMENT

Sisk UK Pension Scheme

The Trustees of the Sisk UK Pension Scheme have 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 Scheme has followed the policy on voting, stewardship and engagement as set out in the Scheme's Statement of Investment Principles (SIP), dated 04 September 2019 and updated on the 01 September 2020. This statement covers the period 31 December 2019 to 31 December 2020.

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 Scheme.
- 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 Trustees on a periodic basis together with its adherence to the UK Stewardship Code. The Trustees will consider whether the approach taken was appropriate or whether an alternative approach is necessary.
- v. The SIP dated 04 September 2019 set out new policies in respect of asset manager arrangements. In relation to voting, stewardship and engagement, a policy was introduced that the Trustees 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 Trustees are of the opinion that this policy has been followed during the year. In particular:

- The Trustees have 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 Trustees have 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 Trustees have a process in place to review SEI's performance against objectives, including ESG factors.

In light of the above and otherwise, the Trustees have 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 31 December 2019 to 31 December 2020, across the Scheme's holdings¹ SEI voted as follows:

Fund Name	Global Managed Volatility	Global Select Equity	Dynamic Asset Allocation	Emerging Markets Equity
ISIN	IE00B19H3542	IE00B8FH1426	IE00B5NNKL10	IE0000629257
Number of Votable Meetings	609	461	762	621
Number of Votable Items	7975	8269	14892	5617
% of Items Voted	98%	96%	96%	99%
For	74%	80%	79%	78%
Against	22%	18%	18%	17%
Abstain/ Withhold/ Other	4%	2%	2%	4%
% of votes with management	75%	81%	80%	83%
% of votes against management	25%	19%	19%	17%
Voting Against/Abstain by Category				
Capital Related	4%	4%	4%	13%
Board/Directors/Governance	53%	43%	44%	50%
Remuneration Related	23%	29%	29%	15%
Shareholder Proposals	6%	9%	8%	3%
Other	14%	15%	14%	19%

¹ SEI has shown voting data for the relevant quarters the fund was invested in. (Global Select Equity until Q3 2020, Factor Allocation Global Equity from Q4 2020)

Fund Name	Factor Allocation Global Equity	UK Fundamental Equity	UK Quantitative Equity
ISIN	IE00BDD7WJ18	IE00B3KF4Q98	IE00B3KF5229
Number of Votable Meetings	66	53	213
Number of Votable Items	629	1010	3739
% of Items Voted	100%	93%	100%
For	85%	93%	95%
Against	13%	6%	4%
Abstain/ Withhold/ Other	2%	1%	0%
% of votes with management	86%	93%	96%
% of votes against management	13%	7%	4%
Voting Against/Abstain by Category			
Capital Related	5%	8%	0%
Board/Directors/Governance	40%	26%	33%
Remuneration Related	28%	48%	49%
Shareholder Proposals	11%	0%	4%
Other	16%	18%	14%

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 significant impact on the financial or non-financial performance of a company, the ones below have been drawn out as they are part of 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 Dynamic Asset Allocation	Corporate Governance	Introduced annual election of directors (instead of staggered or classified election) through our voting.

Intel	Global Managed Volatility Global Select Equity Dynamic Asset Allocation Factor Allocation Global Equity	Labour Standards	Voted against a report on Global Median Gender/ Racial Pay Gap. While 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 Dynamic Asset Allocation Factor Allocation Global 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. We pushed for this through our voting.
Marathon Petroleum Corp	Dynamic Asset Allocation	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.
Royal Dutch Shell PLC	Quantitative UK Equity Dynamic Asset Allocation UK Equity Factor Allocation Global Equity	Climate Change	Voted Against a proposal to request Shell to set and publish targets for Greenhouse Gas (GHG) Emissions. Companies should improve their public disclosure and strategy setting in relation to climate change. With the accelerated Net Carbon Footprint ambition, Shell already meets most of the demands of the resolution to set and publish targets that are aligned with the goal of the Paris agreement. Therefore, because of Shell's responsiveness to engagement and its actions to increase accountability, we accept the fact that Shell does not set formal targets, but less binding ambitions. However, we will continue our engagement with the company and ask for

			a clear short and medium term roadmap for the strategy and capital allocation plans of the traditional business, the new energy business and the levers aimed at reducing the net carbon footprint.
Vistra Energy Corp	Dynamic Asset Allocation	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.
Citizens Financial Group Inc	Dynamic Asset Allocation	Corporate Governance	Enhanced shareholder rights by giving shareholders the right to call a special meeting. Previously shareholders did not have the ability to do so. We advocated for this change through our votes at shareholders' meeting.