

The Amtico Company Pension Scheme

Implementation Statement

This is the Implementation Statement prepared by the Trustee of the Amtico Company Pension Scheme (“the Scheme”) and sets out:

- How the Trustee’s policies on exercising rights (including voting rights) and engagement have been followed over the year to 31 March 2023.
- The voting activity undertaken by the Scheme’s investment managers on behalf of the Trustee over the year, including information regarding the most significant votes.

How voting and engagement policies have been followed

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

The Trustee receives voting information and engagement policies from the asset manager, which it reviews to ensure alignment with its own policies. The Trustee also asks the fund manager to give updates on these policies as part of their regular presentations to the Trustee. The Trustees believe that the voting and engagement activities undertaken by the asset managers on their behalf have been in the members’ best interests.

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

Data limitations

Where information is not included in this statement, it has been requested but has not been provided in a useable format or at all by the investment manager. The Trustee’s investment consultants are in discussion with the managers around how this data will be provided for future statements.

Voting Data

Voting only applies to funds that hold equities within their portfolio. The investment manager of these funds votes on behalf of the Trustee and information on the votes made over the year is summarised over the next few pages.

Stewardship Policy

The Trustee’s Statement of Investment Principles (SIP) in force at 31 March 2023 describes the Trustee’s stewardship policy on the exercise of rights (including voting rights) and engagement activities as follows:

The Trustees expect that the investment managers will use their influence as major institutional investors to exercise the Trustees’ rights and duties as shareholders, including where appropriate engaging with underlying investee companies to promote good corporate governance, accountability and to understand how those companies take account of ESG issues in their businesses.

A Copy of this SIP was last reviewed in June 2022 and has been made available to view on the Amtico website here:

<https://www.amtico.com/media/2473975/amtico-sip-june-2022.pdf>

The Trustees have delegated the exercise of rights attaching to investments, including voting rights, and in undertaking engagement activities to the Scheme's investment managers.

At this time, the Trustees have not set stewardship priorities / themes for the Scheme but will be considering the extent that they wish to do this in due course, in line with other Scheme risks. The Trustees focused reviewing and aligning the investment strategy with the Scheme's long-term target over the period.

Voting Data

Voting data has been provided for all equity funds the Scheme was invested in over the year.

Manager	BlackRock
Fund name	<ul style="list-style-type: none"> ACS World ESG Equity Tracker Fund ACS World ESG Equity Tracker Fund GBP Hedged
Structure	Pooled
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.
Number of company meetings the manager was eligible to vote at over the year	367
Number of resolutions the manager was eligible to vote on over the year	5,653
Percentage of resolutions the manager voted on	95%
Percentage of resolutions the manager abstained from	0%
Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	95%
Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	4%
Percentage of resolutions voted contrary to the recommendation of the proxy advisor	0%

Figures may not sum to 100% due to rounding

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the Trustees over the year to be set out. The guidance does not currently define what constitutes a “significant” vote, so for this Implementation Statement the Trustees have asked the investment managers to determine what they believe to be a “significant vote”. BlackRock have provided a varying number of significant votes for each of their funds, and these have been condensed down to show three of these votes across the combined funds. The votes provided apply to both of the Scheme’s equity funds, i.e. the ACS World ESG Equity Tracker Fund and ACS World ESG Equity Tracker Fund GBP Hedged. Voting only applies to funds that hold equities in their portfolio. As such, the BlackRock LDI funds and BlackRock Ascent UK Long Corporate Bond Fund do not participate in voting activities and are excluded from the table below.

BlackRock

	Vote 1	Vote 2	Vote 3
Company name	Bank of Montreal	The Home Depot, Inc.	Alphabet Inc
Date of vote	13 April 2022	19 May 2022	1 June 2022
Summary of the resolution	Adopt a policy to ensure the Bank’s Financing is consistent with IEA’s Net Zero Emissions by 2050 scenario	Elect Director Albert P. Carey	Approve recapitalisation plan for all stock to have one vote per share
How the manager voted	Against	Against	For
Rationale for the voting decision	BlackRock believe that the request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company.	BlackRock voted against the resolution as their view is that the nominee serves on an excessive number of public company boards, which they believe raises substantial concerns about the director’s ability to exercise sufficient oversight on this board.	BlackRock believe that one vote per share is in the best interest of long term shareholders.
Outcome of the vote	The resolution failed to be approved	The resolution was passed	The resolution failed to be approved
Implications of the outcome	The manager has not provided this information		
Criteria on which the vote is considered “significant”	BlackRock publish significant votes to highlight several of their key voting rationales as informed by their global voting guidelines, including when they vote against directors due to insufficient progress on climate-related disclosures (particularly with regard to TCFD/SASB-aligned reporting), concerns about remuneration and/or over boarding, concerns about board oversight, and risk management in high profile situations, among others.		

Fund level engagement

The investment managers may engage with investee companies on behalf of the Trustees. The table below provides a summary of the engagement activities undertaken by each money during the year for the relevant funds.

Manager	BlackRock	
Fund name	ACS World ESG Equity Tracker Fund	
	ACS World ESG Equity Tracker Fund GBP Hedged	Ascent UK Long Corporate Bond Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	682	61
Number of engagements undertaken at a firm level in the year	3,963	

Examples of engagement activity undertaken over the year to 31 March 2023

BlackRock, All Funds

BlackRock primarily engage through direct dialogue but may use other tools such as publications and correspondence to share their perspectives. They routinely review and refresh their engagement priorities to focus their work on the governance and sustainability issues they consider to be top of mind for companies and their clients as investors. BlackRock's engagement priorities provide clients with insight into how BlackRock are conducting engagement and voting activities on key governance and sustainability issues on their behalf.

BlackRock Ascent UK Long Corporate Bond Fund performed 61 total engagements during from the year to 31 March 2023, with 21 individual companies engaged. Of those companies, 27 were within the Americas region, 34 from EMEA and 0 from Asia-Pacific. BlackRock has engaged with companies on a wide variety of topics, such as remuneration, climate risk management, board composition & effectiveness, etc.

BlackRock ACS World ESG Equity Tracker Funds performed 682 total engagements during from the year to 31 March 2023, with 361 individual companies engaged. Of those companies, 401 were within the Americas region, 197 from EMEA and 84 from Asia-Pacific. BlackRock has engaged with companies from a wide variety of sectors, such as Energy, Utilities, Consumer Staples, etc.

BlackRock's engagement topics include; Board Composition, Business Oversight, Effective Management, Corporate Strategy, Governance, Remuneration, Climate Risk Management, Environmental Impact Management, Operational Sustainability, Human Capital Management and Social Risks and Opportunities.