Caffyns Pension Scheme
Implementation Statement – 31 March 2025

Why have we produced this Statement?

The Trustee of the Caffyns Pension Scheme have prepared this statement to comply with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.

This statement sets out how the Trustee has complied with the voting and engagement policies detailed in the Scheme's Statement of Investment Principles (SIP).

What is the Statement of Investment Principles (SIP)?

The SIP sets out key investment policies including the Trustee's investment objectives and investment strategy.

It also explains how and why the Trustee delegates certain responsibilities to third parties and the risks the Scheme faces and the mitigated responses.

The Trustee last reviewed the SIP in November 2024.

What is the purpose of this Statement?

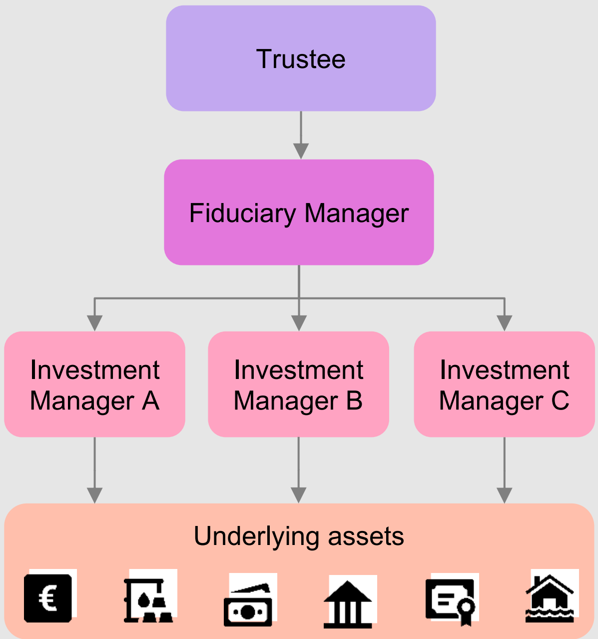
1. To explain how the Trustee's engagement policy has been applied over the year.
2. To describe the voting rights attached the Scheme's assets have been exercised over the year.

What changes have we made to the SIP?

The Trustee have made the following changes to the SIP over the year:

- The appointment of WTW as the Scheme's new Fiduciary Manager
- Updated stewardship priorities to on Climate Change, Biodiversity, and Diversity, Equity & Inclusion

How are the Scheme's investments managed?



Trustee - The Trustee's key objective is to ensure sufficient assets to pay members' benefits as they fall due. The Trustee retain overall responsibility for the Scheme's investment strategy, but delegates some responsibilities to ensure they are undertaken by somebody with the appropriate skills, knowledge and resources.

Fiduciary Manager (WTW) – The Trustee employs a Fiduciary Manager to implement the Trustee's investment strategy. The Fiduciary Manager allocates the Scheme's assets between asset class and investment managers.

Investment managers – The Fiduciary Manager appoints underlying investment managers either using a pooled vehicle or a segregated mandate where these assets are held directly in the Scheme's name. The Fiduciary Manager will look for best in class specialist managers for each asset class.

Underlying assets – The investment managers pick the underlying investments for their specialist mandate e.g. shares in a company or government bonds.

Why does the Trustee believe voting and engagement is important?

The Trustee's view is that Environmental, Social and Governance (ESG) factors can have a significant impact on investment returns, particularly over the long-term and therefore contribute to the security of members' benefits. The Trustee further believes that voting and engagement are important tools to influence these issues.

The Trustee has appointed a Fiduciary Manager who shares this view and considers and integrates ESG factors, voting and engagement in its processes.

The Trustee incorporates an assessment of the Fiduciary Manager's performance in this area as part of its overall assessment of the Fiduciary Manager's performance.

What is the Trustee's voting and engagement policy?

When considering its policy in relation to stewardship including engagement and voting, the Trustee expects investment managers to address broad ESG considerations, but has identified climate change, biodiversity, diversity, equity and inclusion as key areas of focus for the Trustee.

The day-to-day integration of ESG considerations, voting and engagement are delegated to the investment managers. The Trustee expects investment managers to sign up to local Stewardship Codes and to act as responsible stewards of capital.

Where ESG factors are considered to be particularly influential to outcomes, the Trustee expect the Fiduciary Manager to engage with investment managers to improve their processes.

What training has the Trustee received over the year?

To ensure the Trustee is kept up to date with best practice in ESG considerations, voting and engagement, the Trustee received a training session from the Fiduciary Manager outlining their approach to sustainable investing and recent activities in this area.

What are the Fiduciary Manager's policies?

Climate change and net zero goal

The Trustee believes Climate Change is a current priority when engaging with public policy, investment managers and corporates.

The Fiduciary Manager has a goal to achieve net zero greenhouse gas emissions across 'In Scope Solutions' by 2050. They believe the trajectory is important, so are also aiming to approximately halve emissions per amount invested by 2030.

Public policy and corporate engagement

The Fiduciary Manager employs an external stewardship service provider, whose services include public policy engagement, and corporate voting and engagement on behalf of its clients (including the Trustee).

Some highlights from 2024 include:

- 994 companies engaged across regions on 4,267 issues and objectives
- 62 companies in their core programme featured engagements with the CEO or chair
- Making voting recommendations on 143,075 resolutions at 14,701 meetings, including recommended votes against 25,070 resolutions
- Participation in a range of global stewardship initiatives.

Industry initiatives

The Fiduciary Manager participated in a range of industry initiatives over the year to seek to exercise good stewardship practices. Please refer to their latest UK Stewardship Code for more information: https://www.wtwco.com/en-gb/solutions/services/sustainable-investment.

How does the Fiduciary Manager assess the investment managers?

**Investment manager appointment - ** The Fiduciary Manager considers the investment managers' policies and activities in relation to ESG factors and stewardship (which includes voting and engagement) at the appointment of a new manager. In 2024 the Fiduciary manager conducted engagements with over 70 managers across asset classes. They also engaged over 100 products on sustainability and stewardship. In addition, over 150 sustainability-theme strategies were researched.

Investment manager monitoring - The Fiduciary Manager produces detailed reports on the investment managers' ESG integration and stewardship capabilities on an annual basis. We have provided the Fiduciary Manager's ratings of the equity managers' ESG integration and stewardship capabilities in the later pages.

Investment manager termination - The Fiduciary Manager engages with investment managers to improve their practices and increases the bar by which they are assessed as best practice evolves. The Fiduciary Manager may terminate an investment manager's appointment if they fail to demonstrate an acceptable level of practice in these areas. However, no investment managers were terminated on these grounds during the year.

Example of engagement carried out over the year

Global equity manager A
Environment – climate issue

Issue: The Fiduciary Manager engaged with the manager to understand and assess their framework for analysing the risks and opportunities associated with Net Zero alignment in the companies they invest in. The discussion aimed to gain insights into their strategic approach and evaluation criteria for achieving sustainability goals.

Outcome: The Fiduciary Manager discussed integrating executive compensation and ESG metrics into the manager's investment strategy. Specific company examples were reviewed to illustrate the manager's approach. Additionally, the assessment of climate-related risks, particularly concerning high-risk issuers in the energy sector, was a key topic of discussion.

While the investment-driven exercise was the primary focus, the co-portfolio manager deferred detailed discussions to the ESG analyst. This remains an area requiring ongoing monitoring. The objective of the meeting was to understand the framework and processes in place and to reassess our initial understanding of sustainability and climate-related areas. Actions will continue to emphasize robust analysis of these risks and stewardship around them.

Japanese equity manager
Environment – climate issue

Issue: There has been good evidence of improvement from the manager over the year on key components previously engaged with. However, the focus of the engagement was on key outstanding issues, namely around impact, broader governance, and voting, where the strategy has returned neutral scores.

Outcome: The manager has made significant progress in several areas, including Task Force on Climate-Related Financial Disclosures (TCFD) alignment, where they now report in line with the TCFD framework and provide climate-related metrics at the fund level. They have further developed their sustainability policy, planning to track carbon reduction objectives from 2025 and improving coverage across most strategies. In terms of voting, the manager has implemented a new process to track every vote and its rationale, along with a new voting policy. Additionally, they have developed a firm-wide ESG data tool for immediate access to ESG/Sustainable Investment research for analysts. However, the manager still faces challenges in implementing a modern slavery policy and impact measurements due to difficulties in obtaining disclosures in the Japanese market. They are working to track progress in this area, and it will be closely monitored

Global equity manager B
General ESG issue

Issue: Based on the manager's previous Task Force on Climate-Related Financial Disclosures (TCFD) Report, the Fiduciary Manger has found that there were companies that do not have commitment to Science Based Targets Initiative (SBTI) Targets (11 out of 25 companies) and have no verified SBTI Targets (8 out of 25 companies). In doing so, Fiduciary manager has touched on the Net Zero Approach and how the manager engages with companies. The manager has highlighted that they encourage companies to sign up for SBTI targets, and they have highlighted a case study that they are willing to vote against the management if they are not willing to address this issue.

Outcome: The Fiduciary Manager did not have material concerns after the discussion about the topic, given the manager's willingness to act. The Fiduciary Manager will continue to have engagements with the manager and to go thorough specific case studies in the portfolio. For the future discussions, the goal is to discuss the companies that are not aligned or on track with their targets, and where the manager hasn't made any engagement efforts.

What are the voting statistics we provide?

The Scheme is invested across a diverse range of asset classes which carry different ownership rights, for example bonds do not have voting rights attached. Therefore, voting information was only requested from the Scheme's equity investment managers.

Responses received are provided in the following pages. The Trustee used the following criteria to determine the most significant votes:

- Trustee stewardship priorities (climate change, biodiversity, diversity, equality and inclusion)
- Financial outcome for members, including size of holding
- High profile vote, including votes not supporting company management

The Trustee has also included the Fiduciary Managers assessment of the investment managers ESG integration and stewardship (including voting and engagement) capabilities, for external managers.

In conclusion…

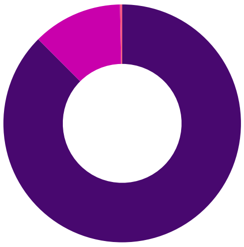
The Trustee is satisfied that over the year, all SIP policies and principles were adhered and in particular, those relating to voting and engagement.

Global Equity Focus Fund

Voting activity over the year

Voting activity over the year

Number of votes eligible to cast: 3,181
Percentage of eligible to cast: 99.3%



■ For: (87.5%) ■ Against: (12.2%) ■ Abstain: (0.3%)

Significant vote

Company: HCA Healthcare, Inc.

% Fund: 1.2%

Vote topic: Report on maternal health outcomes

Issue: The manager voted in favor of regular reporting to shareholders regarding the company's progress in reducing maternal morbidities and eliminating racial and ethnic disparities in pregnancy-related outcomes

Voting instruction: For shareholder proposal, against management recommendation

Prior communication of against vote: No

Outcome: Failed the resolution

Why a significant vote? Human and labour rights is one of the stewardship priorities. It is also a vote against management.

Next steps: The manager will share these best practices with other portfolio companies.

Significant vote

Company: Berkshire Hathaway

% Fund: 0.9%

Vote topic: Report on efforts to measure, disclose and reduce greenhouse gas emissions associated with underwriting, insuring, and investing

Issue: The manager voted in favor of climate risk disclosure, prioritizing leadership on the issue despite minor compliance costs. Given the company's 90% emissions disclosure and strong ethical reputation, the manager deemed waiting for SEC guidance an inadequate delay.

Voting instruction: For shareholder proposal, against management recommendation

Prior communication of against vote: No

Outcome: Failed the resolution

Why a significant vote? Climate change is one of the stewardship priorities.

Next steps: The manager expressed disappointment in the voting outcome and urged the CEO to prioritize climate risk transparency, advocating for proactive leadership rather than waiting for policy guidance.

Voting policy: As the manager manages Fund of Funds, the voting rights for the holdings are the responsibility of the underlying managers. The manager expects all of the Fund's underlying managers who hold equities over a reasonable timeframe to vote all shares they hold. The manager has appointed EOS at Federated Hermes (EOS) to provide voting recommendations to enhance engagement and achieve responsible ownership. EOS also carries out public policy engagement and advocacy on behalf of all the investors. In addition, EOS is expanding the remit of engagement activity they perform on the Fund's behalf beyond public equity markets, which will enhance stewardship practices over time.

GEDI is used in the equity layer of the State Street Global Advisors Multi-Asset Diversified Growth Sub-Fund

Global Equity Diversified Index Sub-Fund

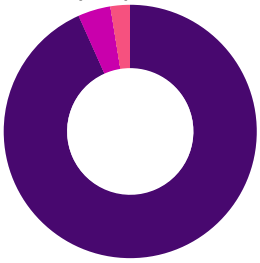
Voting activity over the year

Sustainability
High

Fiduciary Manager's assessment

Voting activity over the year

Number of votes eligible to cast: 4,178
Percentage of eligible to cast: 100%



■ For: (93.3%) ■ Against: (4.2%) ■ Abstain: (2.5%)

Significant vote

Company: QUALCOMM Incorporated

% Fund: 0.4%

Vote topic: Report on Climate Risk in Retirement Plan Options

Issue: This proposal does not merit support as the company's climate-related disclosures are reasonable

Voting instruction: Against shareholder resolution, for management

Outcome: Failed the resolution

Why a significant vote? Climate changes is one of the stewardship priorities, more recent and large size of holding

Next steps: Where appropriate we will contact the company to explain our voting rationale and conduct further engagement.

Significant vote

Company: Novo Nordisk A/S

% Fund: 0.6%

Vote topic: Approve Proposal Regarding Regulated Working Conditions at Construction Sites

Issue: This proposal does not merit support as the company's disclosures related to facility safety are reasonable

Voting instruction: Against shareholder resolution, for management

Why a significant vote? Human and labour rights as an area of Equity and Inclusion is one of the stewardship priorities

Next steps: Where appropriate, they will contact the company to explain their voting rationale and conduct further engagement.

Voting policy: All voting decisions are made in accordance with in-house guidelines or specific client instructions. Robust controls and auditing procedures are established to guarantee that votes are executed as instructed, with transparency being a key priority. The Stewardship team collaborates closely with global client relationship teams to maintain an open dialogue, allowing clients to understand the approach, provide feedback, and hold the team accountable. Proxy voting is managed with the assistance of third-party service providers like Institutional Shareholder Services (ISS), which helps monitor voting rights and apply voting guidelines. Significant issues are referred to the ESG Committee for determination, ensuring that all voting decisions are made in the best interest of clients

Caffyns Pension Scheme – legacy assets

For part of the Scheme year, the Trustees' investments were managed by their prior Fiduciary Manager, SEI. Voting records, most significant votes and engagement activity for this period are provided below.

A. 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 Glass Lewis as a proxy voting service provider for all voting. SEI provide 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 31 March 2024 to 31 December 2024, across the Fund's holdings[1] SEI voted[2] as follows, including the percentage of overall votable items voted on:

Fund Name	**Global Managed Volatility**	**Global Select Equity**	**Emerging Markets Equity**	**Dynamic Asset Allocation**
ISIN	IE00B19H3542	IE00B295X008	IE0002515637	IE00B5NNKL10
Number of Votable Meetings	461	90%	433	518
Number of Votable Items	5954	10%	4791	12178
% of Items Voted	96%	97%	99%	92%
For	88%	91%	84%	91%
Against	11%	8%	11%	8%
Abstain/ Withheld/ Other	1%	1%	4%	1%
% of votes with management	90%	92%	82%	92%
% of votes against management	10%	8%	12%	7%
% of votes other	0%	0%	5%	0%
Voting Against/Abstain by Category				
Capital Related	6%	3%	13%	4%
Board/Directors/Governance	45%	43%	65%	51%
Remuneration Related	15%	17%	10%	24%
Shareholder Proposals	28%	35%	0%	19%
Other	5%	2%	12%	2%

B. Significant Votes

A highlight of some of the significant votes[2] during the period are shown in the table below. These votes are considered to be significant as they 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 consider 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.

[1] SEI has shown voting data for the relevant quarters the fund was invested in.

[2] Source: SEI and Glass Lewis

- Votes relating to our thematic priorities

Company Name	Held in Fund(s) (% size of holding)[1]	Theme	Date of Vote and Outcome	Vote Decision and Significance of vote
Tesla Inc	Dynamic Asset Allocation (<0.5%)	Board Governance	Date: 13/06/2024 Outcome: Against	Voted For the proposal to request that Tesla Inc annually report on the effectiveness and outcomes of its efforts to prevent harassment and discrimination. The Company's management of issues related to the prevention of harassment and discrimination have come under question, given ongoing claims made by employees. The U.S. Equal Employment Opportunity Commission filed a lawsuit claiming that Black employees at the Company's Fremont, California, manufacturing facilities have routinely endured racial abuse, pervasive stereotyping, and hostility; 240 Black factory workers have filed testimonies in California's Alameda County Superior Court seeking class action status for alleged racial discrimination. This vote is deemed significant as a failure to adequately address matters related to harassment and discrimination could result in significant difficulties attracting and retaining employees, fines or lawsuits, and, ultimately, the erosion of shareholder value. A public report such as the one requested would assist shareholders in assessing whether Tesla Inc is improving its workforce management.
Toyota Motor Corporation	Dynamic Asset Allocation (<0.5%) Global Managed Volatility (<0.5%) Global Select Equity (<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.

[1] % holding as at last day of the quarter in which vote occurred.

				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.
Boeing Co.	Dynamic Asset Allocation (<0.5%)	Climate Change	Date: 17/05/2024 Outcome: For	Voted For the proposal that Boeing Co. adopt a value chain emission reduction target covering all non-de minimis emission categories in alignment with the Paris Agreement. The adoption of this precatory proposal could help the Company mitigate potential material regulatory risks. The Company's current disclosures lack forward-looking and quantitative action plans to reduce value chain emissions in line with the Paris Agreement’s goal of limiting global warming to 1.5 degrees Celsius. While the Company supports the commercial aviation industry’s ambition to achieve net zero emissions by 2050, the Company does not have a value chain emissions reduction target covering its own enterprise. This vote is deemed significant as it is prudent for management to assess its potential exposure to all risks, including environmental and social concerns and regulations pertaining thereto in order to incorporate this information into its overall business risk profile. By setting Paris-aligned emission reduction targets across its full value chain and providing a comprehensive transition plan, the Company can improve against peers, prepare for regulation, and position itself to maximize benefits from climate-related opportunities. Boeing Co. has a high ESG risk rating.
Coles Group Limited	Dynamic Asset Allocation (<0.5%) Global Select Equity (<0.5%)	Environmental Governance	Date: 12/11/2024 Outcome: N/A	Voted Against the proposal that the Company cease to procure farmed salmon for its Own Brand products from Macquarie Harbour in Tasmania by no later than 30 April 2025. The Maugean Skate population has declined to just 40-120 adults, with the species on the brink of an extinction event, and removal of salmon farming from Macquarie Harbor has been deemed an urgent priority. The Company said it has steadily reduced the volume of salmon it sources from Macquarie Harbour, with plans to continue this trajectory, which is welcome, but the

				Company has not committed to completely removing Macquarie Harbour salmon from its product range by a specific date. This vote is deemed significant as the level of reputational risk that the Company exposes itself to from continuing to sell this product is high. However given that the Company indicates a willingness to both monitor and disclose its nature-related impacts, as well as to comply with any government regulations regarding seafood farming in Macquarie Harbour, it can be deemed not an issue that has been mismanaged by the Company or that its current efforts present an imminent risk to shareholder value.

C. Engagement Activity

A highlight 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 study[1] describes a milestone achieved relating to our engagement priorities.

Company Name	Held in Fund(s)	Theme	Objective	Description
Vistra Corp	Dynamic Asset Allocation Global Select Equity 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	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. 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

[1] Source: SEI and Sustainalytics

				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.
Mowi ASA	Dynamic Asset Allocation	Thematic engagement – Biodiversity and Natural Capital	Achieve full alignment with the Global Biodiversity Framework and leverage comprehensive understanding of biodiversity impacts and dependencies to establish and disclose science-based targets to effectively address them.	Based in Norway, Mowi is one of the world's largest producers of Atlantic salmon. As a vertically integrated company, Mowi's operations span from brood stock to sales, playing a crucial role in the seafood industry. Mowi has demonstrated leadership in biodiversity management by disclosing a detailed Biodiversity Framework and publishing a comprehensive Taskforce for Nature-related Financial Disclosures (TNFD)-aligned report. These documents reflect the company's advanced understanding of its biodiversity impacts, dependencies and risks. Mowi's Biodiversity Framework outlines policies, mitigation actions, and targets, and provides scenarios that illustrate financial risk and opportunity related to biodiversity. However, despite these strengths, the company continues to face significant challenges, particularly related to disease outbreaks at its farms. To address these challenges, Mowi shared they are implementing a post smolt strategy to reduce the time salmon spend at sea, thereby minimizing their exposure to risks such as diseases linked to changes in sea temperature. During a conference call in Q3 with Nordic Engagement Collaboration and Sustainalytics, Mowi presented an overview of its sustainability progress. The company touched on various topics, including the health of their marine sites, freshwater usage and fish welfare. Sustainalytics plans to follow up with Mowi in Q1 of 2025 to continue the discussion on setting science-based targets for its land and freshwater impacts as well as being involved in the development of the upcoming ocean targets methodology.

JBS SA	Emerging Market Equity	Global Standards Engagement – Land Use and Biodiversity	JBS should develop and implement comprehensive measures to identify and cease sourcing relationships with suppliers of cattle, meat and/or animal feed that are directly or indirectly involved in irresponsible deforestation practices. Furthermore, JBS should intensify collaboration with other relevant stakeholders to mitigate deforestation.	Specializing in meat processing, JBS is one of the largest beef producers globally and is highly exposed to deforestation risks in Brazil. Sustainalytics been engaging with the company in 2021 through the global standards program focusing on land use and biodiversity issues, and reports that JBS has been making progress with supplier traceability over the past three years. JBS shared that it achieved 100% traceability of direct suppliers, and its remaining deforestation risks are via its indirect suppliers. The main solution for addressing indirect suppliers is its Livestock Transparency Platform in which 70% of its suppliers are enrolled. Sustainalytics held an in-person meeting with JBS in Q4 2024 where the company received updates on JBS's AI-assisted risk assessment tool and its program "Green Offices" which now assist over 13,000 farmers with productivity, training, and environmental regulatory compliance. JBS reported that it has started to track TNFD and aims to address biodiversity further over the next two years. Currently JBS is committed to zero illegal deforestation in Brazilian biomes by the end of 2025 for direct and tier 1 indirect cattle suppliers. It has a responsible sourcing policy, signed the Cattle Moratorium, and excludes thousands of farms. Sustainalytics has asked JBS to consider incorporating deforestation-related targets into executive remuneration targets. A Q1 2025 call is scheduled where Sustainalytics plans on obtaining updates on the enrollment of indirect suppliers into its Transparent Livestock Platform, its pilot program on individual animal IDs, and also ask questions as necessary related to evolving legislation in Brazil.

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.