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IMPLEMENTATION STATEMENT

Cooper-Avon Tyres Limited Pension Plan

The Trustee of the Cooper-Avon Tyres Limited Pension Plan (the 'Plan') 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 Plan has followed the policy on voting, stewardship and engagement as set out in the Plan's Statement of Investment Principles (SIP). This statement covers the period 30 September 2020 to 30 September 2021. From 31 August 2021 to 30 September 2021 a new fiduciary manager, Kempen Capital Management (Kempen), was appointed to manage the assets in place of SEI.

Period 30 September 2020 to 31 August 2021 (SEI):

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. The Plan only invests via pooled investment funds, meaning that the Plan's investments are pooled with those of other investors. It can be harder for those invested in pooled funds to exert their influence, given the other investors with a stake, but the Trustee still monitors and engages as much as possible.

ii. Voting decisions on stocks are delegated to the investment manager of the pooled funds held by the Plan.

iii. SEI, the Plan's Fiduciary Manager until 31 August 2021, or the investment manager of a third party pooled fund, has full discretion for undertaking engagement activities in respect of the investments.

iv. 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.

v. SEI reports 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.

vi. 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.

- The Trustee has received and reviewed 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 2021 included priorities in each of the following categories:
    - Climate change

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- Sustainable Agriculture
- Modern Slavery
- Future of Work
- Board Governance

- The number of companies engaged and the number of milestones achieved by engagement issue and a rating of its significance.
- The Trustee reviewed the above quarterly reports throughout the Plan year and monitored performance. The Trustee was satisfied with the content of the report and that SEI's performance was in line with the SIP and the Trustee's expectations.
- The Trustee has considered SEI's voting practices and stewardship policies noting that they are 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 on behalf of the Trustee remain aligned with the Trustee's views on these matters.
- The current policy is appropriate and no further action is required at this stage, albeit the Trustee will continue to monitor the performance of this policy and SEI's performance in the future.

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 Specialist ESG Providers as a proxy for all voting. SEI provide the specialist providers 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 30 September 2020 to 30 June 2021 across the Plan's holdings[1] SEI voted as follows, including the percentage of overall votable items voted on:

Fund Name	Global Managed Volatility	Global Select Equity	Dynamic Asset Allocation	Emerging Market Equity
ISIN	IE00B19H3542	IE00B295X008	IE00B5NNKL10	IE0002515637
Number of Votable Meetings	465	476	655	630
Number of Votable Items	5452	8553	13349	6163
% of Items Voted	93%	95%	94%	99%
For	89%	91%	92%	81%
Against	9%	7%	7%	12%

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

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Abstain/ Withheld/ Other	1%	1%	0%	6%
% of votes with management	90%	92%	92%	78%
% of votes against management	9%	8%	7%	15%
% of votes other	0%	1%	92%	6%
Voting Against/Abstain by Category				
Capital Related	7%	5%	6%	16%
Board/Directors/Governance	52%	43%	34%	51%
Remuneration Related	17%	23%	26%	11%
Shareholder Proposals	17%	21%	22%	1%
Other	7%	8%	11%	22%

C. Significant Votes

A highlight of some of the significant votes 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.
- Votes relating to companies on one of SEI's watch lists. Watch lists cover ESG topics such as climate and diversity as well as initiatives including Climate Action 100 + and the United Nations Global Compact.
- Votes that are part of a wider engagement that SEI has been conducting and reflect the achievement of an ESG engagement milestone.
- Votes relating to our 2021 thematic priorities as described in section A.

To date the Trustee has accepted SEI's position on what constitutes a significant vote.

Company Name	Held in Fund(s)	Theme	Description
Boeing Co	Dynamic Asset Allocation	Governance	Boeing supplied the aircraft for the Lion Air Flight 610 and the Ethopian Airlines Flight 302, which both fatally crashed in October 2018 and March 2019. The investigations and hearings which followed these crashes have indicated that it was due to poor oversight by many parties including the board, the firm's executives and U.S. Federal Aviation Administration's aircraft certification process. SEI therefore voted Against the re-election of Edmund Giambastiani and Lawrence Kellner who are the longest serving members on the board and were on the audit committee when the planes were being developed and the certification of them. Therefore, they had a significant role in the decisions regarding these planes. This vote is considered high profile as it addresses concerns over passenger safety

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			and helps to hold the board accountable for the fatal consequences of the Boeing crashes. Boeing also has a high ESG risk rating and is part of the Climate Action 100+ initiative.
DuPont de Nemours Inc	Dynamic Asset Allocation	Environmental	Voted For the proposal for a 'Report on Plastic Pollution'. Although DuPont have made commitments to reducing its environmental footprint by plastic pollution e.g. zero discharge of plastics to marine and freshwaters it has not provided much disclosure on how it is going to meet these commitments. Therefore, this report will provide better oversight of this. This vote is considered significant as it addresses important environmental issues and DuPont is part of the United Nations Global Compact as well as having a high ESG risk rating.
Petroleo Brasileiro S.A. Petrobras	Emerging Markets	Governance	Voted Against the proposal for the 'Dismissal of Director Roberto da Cunha Castello Branco'. This proposal is considered to be a politically motivated change in governance as it was proposed by the Brazilian Government who are the biggest shareholder. Branco who is the current CEO is set to be replaced by the Government's proposed candidate Joaquim Silva e Luna; a retired army general and former Minister of Defense. It is questionable whether a military official has the right professional background for this role and considering the risk of political intervention SEI believes he might not act in the shareholders' interests. Due to the political aspect of the vote it is considered significant as it has an impact on society which poses serious business risks for the company. Petroleo Brasileiro S.A – Petrobras also has a severe ESG risk rating and is part of Climate Action 100+ and United Nations Global Compact.
General Electric Company	Dynamic Asset Allocation	Governance	Voted Against the proposal on 'Advisory Vote on Executive Compensation'. This vote decision was mainly driven by the CEO's updated inducement award to 9.3 million shares from 5 million and its lower performance goals. Despite this increase being due to the drop in value of the award (pandemic impact to the share value) and a need to retain top executives, SEI believe that this award and its targets misalign long-term performance and pay outcomes. This vote is considered significant due to the high executive pay and the impact this has on governance of a high profile company. General Electric Company has a severe risk rating and is part of multiple watch lists including Climate Action 100+ and United Nations Global Compact.
Glencore	Dynamic Asset Allocation	Climate Change	Voted For the 'Advisory Vote on Climate Action Transition Plan'. Glencore's plan which will be updated every 3 years and targets to become net total emissions by 2050. This proposal would encourage the engagement between the company and the shareholders to ensure the company is producing strong reporting on climate related issues. The company have also clarified that the Board would remain responsible for the management and oversight of all risks and opportunities relating to climate change and the vote

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			would not be a way for the Board to defer issues of strategy to shareholders. This vote is deemed high profile due to the nature of Glencore's business, which has a high exposure to ESG issues. Therefore, this vote will help to address its environmental impact on the wider society. Glencore has a high ESG risk rating and is part of Climate Action 100+ and United Nations Global Compact.
Imperial Oil Ltd	Dynamic Asset Allocation	Climate Change	Voted For the 'Shareholder Proposal Regarding Net Zero by 2050 Ambition'. Many companies, particularly energy companies are adopting net zero emission goals to align their operations with the goals of the Paris Agreements. This proposal was flagged as a Climate Action 100+ shareholder proposal and requests an ambition to achieve net zero carbon emissions at or before 2050 on Scope 1 and 2 emissions. Considering the market and regulatory momentum towards cutting carbon emissions this proposal is important since this company is one of Canada's largest integrated oil companies. This vote is deemed high profile due to the nature of Imperial Oil Ltd.'s business, which has a high exposure to ESG issues. Therefore, this vote will help to address its environmental impact on the wider society. Imperial Oil Ltd has a high ESG risk rating and is part of Climate Action 100+.
Johnson & Johnson	Global Managed Volatility Global Select Dynamic Asset Allocation	Community Relations	Voted For the 'Shareholder Proposal Regarding Racial Impact Audit'. Johnson & Johnson have faced many legal challenges on the safety of its talc-based baby powder where patients alleged it caused cancer. It has also been accused of marketing the product to minority women even after concerns about potential carcinogens in the product were raised. Although the legal battle continues, this report will require a third party audit to assess the racial impact of its policies, products and services. This vote is deemed high profile because of the concerns of product safety and its impact on society. This issue disproportionately impacted women of colour due to the focused marketing therefore the report will help to identify and mitigate potential risks. Johnson & Johnson has a high ESG rating and is part of SEI's United Nations Global Compact watch list.
Phillips 66	Dynamic Asset Allocation	Climate Change	Voted For the 'Shareholder Proposal Regarding Greenhouse Gas Reduction Targets'. The proposal implicitly requests the company to set Scope 1, 2 and 3 emissions reduction targets on its operations and energy products. Although the company has raised that it is working towards setting attainable targets that are tied to projects, SEI believes that they should do more given the regulatory momentum in US which could make Phillips 66 and others in the industry significantly reduce their emission levels. Scope 3 targets can require significant operational changes but for a company that has not set scope 1 or 2 emission reductions it is lagging behind oil and gas industry peers. This vote is deemed high profile due to the nature of Phillips 66 business, which has a high exposure to ESG issues. Therefore, this vote will help to address its environmental impact on

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			the wider society. Phillips 66 has a high ESG risk rating and is part of Climate Action 100+.
Rio Tinto Ltd	Dynamic Asset Allocation	Governance	Voted Against the proposal 'Remuneration Report'. SEI is hesitant to support the remuneration report due to the size of the awards for the former CEO. In May 2020 in Western Australia as part of an iron-ore mine expansion, the company blasted two ancient rock shelters in the Juukan Gorge. This caused permanent damage to an Aboriginal cultural heritage site. Despite knowing the cultural significance of them before blasting, it went ahead and also later admitted they did not advise the traditional owners of other options available, which would not have involved destruction of the shelters. As CEO at the time, they would have had a significant role in this decision and therefore SEI does not support the high Long Term Incentive Plan of the CEO as part of the remuneration report. This vote is deemed high profile as the destruction of the Gorge sparked a public outcry and therefore, it seeks to address poor corporate behaviour by not compensating those responsible. Rio Tinto has a high ESG risk rating and is part of Climate Action 100+.
Santos Ltd	Dynamic Asset Allocation	Climate Change	Voted For 'Shareholder Proposal Regarding Disclosure of Paris-aligned Capital Expenditure and Operations'. As one of the largest oil and gas producers in Australia, additional reporting on how the Company's capital expenditures is consistent with the climate goals of the Paris Agreement would benefit shareholders and provide insight into how the Company manages an important issue and wider climate goals. This vote is deemed high profile due to the nature of Santos Ltd's business, which has a high exposure to ESG issues. Therefore, this vote will help to address its environmental impact on the wider society. Santos Ltd has a high ESG risk rating and is part of Climate Action 100+.

Period 31 August 2021 to 30 September 2021 (Kempen):

During this period, the assets were in transition from SEI to Kempen. The transition began on 8th September 2021, and remained ongoing on 30 September 2021. As a result, it is not possible to comment on specific engagement and voting behaviour associated with the assets during this short period. This section instead focuses on the general engagement and monitoring activities of Kempen, to whom the Trustee has delegated these activities in their capacity as the new fiduciary manager of the Plan's assets. The Trustee expects Kempen to undertake monitoring and engagement in line with its own corporate governance policies, taking account of current best practice including the UK Corporate Governance Code 2018 and the UK Stewardship Code 2020.

A. Engagement with Investment Managers

Kempen's engagement with asset managers on behalf of the Trustee is a continuous process. Whilst Kempen has limited influence over asset managers' investment practices where the underlying assets are held in pooled funds, they do however encourage their chosen

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managers to improve their practices and consider ESG factors and their associated risks. Kempen uses the following methodology to engage with Asset Managers.

- ESG criteria is assessed based on international conventions, associations and initiatives, such as the UN Global Compact and the Principles for Responsible Investment (PRI)
- All asset managers are screened against ESG criteria before inclusion in the Kempen's approved manager list. For example:
  - does the asset manager have an ESG policy?
  - does the asset manager have a climate policy?
  - does the asset manager have a voting and engagement policy?
  - does the asset manager have a DEI policy?
  - does the asset manager have a biodiversity policy?
  - is the asset manager open for a dialogue on responsible investment including ESG criteria and climate change?
  - does the assessment of ESG risks and opportunities form a formal part of the fundamental research on a company?
  - does the asset manager have a formal exclusion policy for certain companies or sectors?
  - does the asset manager have exposure to companies that are on Kempen's exclusion lists?[2]
- All asset managers are reviewed against ESG criteria on an ongoing basis. For example:
  - are responsible investing considerations continuing to be integrated into their investment process?
  - is the asset manager making progress with their responsible investment practices?
  - is the asset manager well informed and up-to-speed of ESG criteria and initiatives?
  - periodic screening of all the underlying securities held by asset managers within their funds, to check for exclusion candidates?
- Kempen encourages their chosen asset managers to improve their practices where appropriate

B. Scoring Investment Managers

In recent years, Kempen has been developing a new framework for assessing stewardship and ESG, which culminated in the introduction of their Sustainability Spectrum in 2020. It is used to determine a sustainability score for the investment funds used throughout client portfolios. This helps to assess the ESG characteristics of the funds, cutting through the "greenwash" to help ensure that managers they work with are applying a best-in-class approach to sustainable investment.[3]

[2] Exclusion & Avoidance | Kempen

[3] For more detail, see Kempen's article for PRI found here.

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In 2020, Kempen started to use the new Sustainability Spectrum and by the end of 2020, they had completed scoring for 83 listed funds, which represented around 24% of Kempen's assets under management. The distribution of the 83 funds' ESG scores between the five Sustainability levels were: 26% Basic; 52% Avoid harm; 18% Do better; and 4% Do good.

Kempen assessed over 387 listed funds in 2021, representing around 57% of their total assets under management. ESG scores ranged between levels 2 and 5 on sustainability, and as a percentage of the covered assets under management, 9% of the funds scored 'Basic' (score 2); 64% scored 'Avoid harm / responsible' (score 3), 25% scored 'Do better / sustainable' (score 4) and 2% scored 'Do good / impact' (score 5). During 2021, the coverage has increased materially and also the percentage of assets that can be classified as 'sustainable' and 'impact' has grown materially to 27%. The percentage of fund managers on the approved list that met Kempen's criteria for responsible, sustainable and impact was 76%. While there are funds that scored 2, they are mostly legacy passive funds belonging to clients for whom Kempen have an advisory mandate only, and therefore clients are free to choose what they invest in. Where possible, Kempen advised these clients to move capital to more sustainable funds that score at least level 3.

C. Collaborative engagement initiatives

Kempen is an active member and a lead investor in several collaborative engagement initiatives, working collaboratively with peer investors and other stakeholder organisations to amplify their impact and make transformative change happen on a global scale. Kempen is an active member in a number of collaborative engagements including:

- **Climate Action 100+** - An influential investor initiative asking over 100 of the world's largest corporate greenhouse gas emitters to drive, and not impede, the clean energy transition.
- **EUMEDION** - The Dutch Corporate Governance Forum, which led on the development of the Dutch Stewardship Code.
- **Platform Living Wage Financials (PLWF)** – An award-winning investor supported coalition, which we are co-founders of, to monitor and assess garment sector

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companies and encourage them to enable a living wage for all employees in their supply chain.

- **Principles for Responsible Investment (PRI)** - The PRI is the world's leading proponent of responsible investment. The Principles were launched in April 2006 and Kempen joined in 2008. Since then the number of signatories has grown from 100 to over 2,300 with a combined AUM of $90 trillion.
- **International Corporate Governance Network (ICGN)** - An investor-led organisation to promote effective standards of corporate governance and investor stewardship. Kempen is a member of the Board Governance Committee.
- **Global Impact Investing Network (GIIN)** - An investor network dedicated to increasing the scale and effectiveness of impact investing around the world.
- **FCLT** - FCLTGlobal is a not-for-profit organization that works to encourage a longer-term focus in business and investment decision-making.
- **300 Club** - The 300 Club is a group of leading investment professionals from across the globe, established in 2011 in response to an urgent need to raise uncomfortable and fundamental questions about the very foundations of the investment industry and investing.
- **Partnership for Biodiversity Accounting Financials** – A partnership of financial institutions that work together to explore the opportunities and challenges surrounding the assessment and disclosure of the impact on biodiversity associated with their loans and investments.
- **Biodiversity WG of the Dutch Central Bank** - Biodiversity loss and deforestation require rapid action, including from the financial sector. This WG brings actors from the financial sector together to share best practice.
- **Partnership for Carbon Accounting Financials** - An industry-led partnership to facilitate transparency and accountability of the financial industry to the Paris Agreement