

Bechtel Limited Pension Plan

Appendix – Implementation Statement

Introduction

This Implementation Statement (the "Statement") sets out the Trustees' views on how, and the extent to which the Trustees' investment objectives and policies, as set out in their Statements of Investment Principles (SIP) (one for the Final Salary Section and one for the Money Purchase Section) have been followed during the year to 31 March 2023.

This Statement has been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the subsequent amendment in The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019, which transposes the EU Shareholder Rights Directive (SRD II) into UK law. The Directive aims to strengthen the position of shareholders and to reduce short termism and excessive risk taking within companies traded on regulated markets.

The SIPs in respect of both the Final Salary Section and the Money Purchase Section are enclosed within the Annual Report and are available online, and they set out the policies referenced here.

Note that Mercer Limited ('Mercer') has been appointed as discretionary investment manager in respect of the Final Salary Section investments. Pursuant to Mercer's appointment, Plan monies are invested in Mercer funds, which are collective investment vehicles managed by Mercer Global Investments Europe Limited (MGIE). MGIE are responsible for implementing, and reporting on compliance with, the Trustees' Engagement Policy.

Trustees' Investment Objectives for the Plan

The Trustees believes it is important to consider their investment policies in the context of the objectives they have set. The Trustees' objectives for the Plan are as follows:

Final Salary Section

The Trustees understand that taking some investment risk, with the support of the Sponsor, is necessary to improve the Plan's funding position and then "lock-in", as far as is practically possible, a target level of funding under a conservative funding basis.

The Trustees' primary objective is to act in the best interest of its members. As such, the Trustees' key investment objective is to reach, and then maintain, a position such that the Plan's assets would ultimately be sufficient to meet its liabilities should the liabilities be bought out with an insurance company.

Money Purchase Section

The Trustees recognise that individual members have differing investment needs and that these may change during the course of their working lives. It also recognises that members have differing attitudes to risk. The Trustees' objectives are therefore:

- i. *To provide members with a range of investment options to enable them to tailor investment strategy to their needs, specifically in controlling the risks inherent in their savings. In particular, to make available vehicles which aim:*
 - a. *To maximise the value of members' assets at retirement.*
 - b. *To maintain the purchasing power of members' savings.*

Bechtel Limited Pension Plan

Appendix – Implementation Statement (continued)

Trustees' Investment Objectives for the Plan (continued)

Money Purchase Section (continued)

- c. To provide protection for members' accumulated assets in the years approaching retirement against:*
- Sudden (downward) volatility in the capital value;*
 - Fluctuations in the (implicit and explicit) cost of retirement benefits.*
- ii. *To maintain a default investment option that is broadly reasonable for any member not wishing to make their own investment decisions. The Plan is now closed to new members but a number of existing members are invested in a default investment option.*
- iii. *To avoid over-complexity in investment in order to keep administration costs and employee understanding to a reasonable level.*
- iv. *To inform members, through a policy of clear communication and education, about their investment options in relation to the potential risks and anticipated rewards of, and charges associated with, each option.*

Assessment of how the Trustees' policies have been followed for the year to 31 March 2023

The information provided in the following tables highlights the work undertaken by the Trustees during the year, and longer term where relevant, and sets out how this work was in line with their policies.

In summary, it is the Trustees' view that their policies in the SIPs have been followed during the Plan year to 31 March 2023.

Bechtel Limited Pension Plan Appendix – Implementation Statement (continued)

Requirement	Policy / paragraph of SIP	In the year to 31 March 2023
1	<p>Securing compliance with the legal requirements about choosing investments</p> <p><u>Final Salary:</u> Paragraph 1 <u>Money Purchase:</u> Paragraph 1</p>	<p><u>Final Salary Section</u> During the year, in considering appropriate investments for the Plan, the Trustees obtained and considered the written advice of Mercer, whom the Trustees believe to be suitably qualified to provide such advice. The advice received and arrangements implemented are, in the Trustees’ opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).</p> <p><u>Money Purchase Section</u> The Trustees did not choose any new investments for the Plan during the year.</p>
2 & 3	<p>Kinds of investments to be held and the balance between different kinds of investments</p> <p><u>Final Salary:</u> Paragraph 5 <u>Money Purchase:</u> Paragraph 4</p>	<p><u>Final Salary Section</u> The Trustees review their investment objectives and their target asset allocation for the Plan on a broadly annual basis. The target asset allocation in place throughout the year was a bond-based investment strategy made up of a combination of gilts, leveraged gilts and a range of income generating credit assets. This combination is actively managed and the target expected return on the portfolio is c.1%p.a., net of all fees, above the portfolio of gilts that matches the Plan’s projected liability cashflows. The strategy is made up of two parts, a liability driven investment (LDI) investment strategy that aims to protect the Plan’s funding position from interest and inflation rate risk inherent in the Plan’s liabilities, and a portfolio of higher risk credit assets designed to increase the expected return on the Plan’s assets in a risk-controlled way.</p> <p><u>Money Purchase Section</u> The investments (fund type, management style and asset allocations) used within the Money Purchase Section did not change during the year, and were in line with the policies set out in the SIP.</p>
4	<p>Risks, including the ways in which risks are to be measured and managed</p> <p><u>Final Salary:</u> Paragraph 4 <u>Money Purchase:</u> Paragraph 3</p>	<p>The Trustees maintained a Risk Register during the year that outlines risks by category, and considers the impact, likelihood, and responses / mitigations for each risk.</p> <p><u>Final Salary Section</u> The Trustees reviewed their risk exposures as part of regular investment performance reporting provided by Mercer. The Trustees, with the assistance of Mercer, also undertook a detailed annual review of the Trustees’ target allocations to various assets classes (“investment strategy”) to understand the sources of risk in the investment strategy and to remove those that the Trustees consider having no associated return expectation.</p>

Bechtel Limited Pension Plan Appendix – Implementation Statement (continued)

Requirement	Policy / paragraph of SIP	In the year to 31 March 2023
		<p>In response to the significant volatility in gilt markets that followed the UK government's mini-budget on 23 September 2022, the Trustees worked with Mercer to address the operational risks associated with the management of the LDI strategy and have added additional risk controls to protect the Plan should it be exposed to such conditions again.</p> <p><u>Money Purchase Section</u></p> <p>The Trustees reviewed the measurement of a number of the risks in the SIP on a quarterly basis as part of regular investment performance reporting. These quarterly reports were provided by the Plan's main Money Purchase Section investment manager.</p> <p>Risks 3i, 3ii, 3iii, and 3v in the SIP (relating to investment returns, market movements, manager risk, and default investment mismatch risk) are addressed through the triennial review of the default investment strategy. The last strategic review was completed in 2021 and the next review will commence during the second half of 2023.</p> <p>During the year, the Trustees met the main investment manager of Money Purchase Section assets at the 27 June 2022 Trustee meeting. At this meeting, the Trustees received a detailed presentation which included performance and risk analysis, and a discussion of environmental, social, and governance (ESG) matters, including climate change. This assisted the Trustees in assessing manager performance risk, inflation risk, and ESG risks.</p>
5	<p>Expected return on investments</p> <p><u>Final Salary: Paragraph 5</u> <u>Money Purchase: Paragraph 4</u> (regarding the default strategy) and 8 (relating to benchmark returns).</p>	<p><u>Final Salary Section</u></p> <p>The expected return on the Plan's investment strategy at the year-end was c. 1% p.a. above the portfolio of gilts that provides a match for the Plan's projected liabilities.</p> <p><u>Money Purchase Section</u></p> <p>There were no changes to the benchmarks or expected return targets set for the Plan's mandates, which continued to be consistent with the SIP policies.</p>
6	<p>Realisation of investments</p> <p><u>Final Salary: Paragraph 6</u> <u>Money Purchase: Paragraph 4</u> (regarding the default arrangement) and 6.</p>	<p>The Trustees receive a report each quarter from the Plan administrator that details the extent to which benefit payments and other core financial transactions have been processed within service level agreements and regulatory timeliness. There were no issues experienced with realisation of investments during the period.</p> <p><u>Final Salary Section</u></p> <p>No issues were experienced with the realisation of investments during the Plan year. To assist with funding the Plan's cashflow requirements, income generated on some of the assets held by the Plan is passed to the Plans' bank account rather than being reinvested.</p>

Bechtel Limited Pension Plan Appendix – Implementation Statement (continued)

Requirement	Policy / paragraph of SIP	In the year to 31 March 2023
		<p><u>Money Purchase Section</u></p> <p>All funds are daily dealt and priced pooled investment vehicles, with the exception of one fund which is weekly priced. The funds are accessed through an insurance contract. No issues were experienced with the realisation of investments during the Plan year.</p>
7	<p>Financially material considerations over the appropriate time horizon, including in selection, retention & realisation of investments</p>	<p><u>Final Salary Section</u></p> <p>At the year-end, the Plan's LDI strategy was designed to fully hedge the interest and inflation rate risk inherent in the Section's liabilities and also contribute to the hedging of the same risks that the Money Purchase Section is exposed to as a result of a defined benefit underpin that applies to some members' benefits.</p> <p><u>Money Purchase Section</u></p> <p>There were no changes to this policy during the year but the financially material risks identified and how they are measured and managed formed part of risk monitoring carried out during the year, including in meetings with the investment manager, as noted above.</p>
8	<p>Extent to which non-financial matters are taken into account in the selection, retention and realisation of investments</p>	<p>There were no changes to SIP policy during the year.</p> <p>No member views on investment matters (financial or non-financial) were received by the Trustees.</p>
9	<p>The exercise of rights (including voting rights) of the investments</p>	<p><u>Final Salary Section</u></p> <p>The Plan invested solely in pooled funds during the year, where voting and engagement activities are delegated to the investment managers. As part of their regular meetings with Mercer, consideration is given to reports produced by Mercer that discuss how voting rights have been exercised, and to provide examples of engagement activities.</p> <p>The Trustees consider that their SIP policies relating to engagement and the exercise of voting rights had been followed appropriately over the year.</p>
10	<p>Undertaking engagement activities in respect of the investments</p>	<p><u>Money Purchase Section</u></p> <p>During the year, the Plan continued to invest only in pooled funds, where voting and engagement is delegated to investment managers. The main Money Purchase investment manager provides reporting on stewardship within its quarterly reports. This assists the Trustees with ensuring that the exercise of voting rights, and the engagement activities undertaken on the Plan's behalf, are consistent with our policies.</p>

Bechtel Limited Pension Plan Appendix – Implementation Statement (continued)

Requirement	Policy / paragraph of SIP	In the year to 31 March 2023
		<p>The Trustees also request and review annually voting and engagement activities in respect of the investment managers to the Money Purchase Section (see later in this Statement).</p> <p>Voting and engagement activities were also a key part of the agenda when the Trustees met with the investment manager of the default investment strategy at our 27 June 2022 meeting. Topics discussed included stewardship themes and priorities, and the manager’s approach to targeted engagement with clear “sanctions” (e.g. voting against the re-election of directors) for poor behaviours. The Trustees concluded that the investment manager’s approach was aligned with the policies stated in the SIP.</p>
11	<p>How the arrangement(s) incentivise the manager to align its strategy / decisions with trustees’ policies.</p>	<p><u>Final Salary Section</u></p> <p>Disclosures on the Trustees’ policies were added to the SIPs in October 2022 that reflect current practice.</p> <p><u>Money Purchase Section</u></p> <p>No changes in policy (last updated September 2020).</p>
12	<p>How the arrangement incentivises the manager to make decisions based on assessments of medium to long-term financial/non-financial performance and engage with issuers to improve performance.</p>	<p><u>Final Salary Section</u></p> <p>Disclosures on the Trustees’ policies were added to the SIPs in October 2022 that reflect current practice.</p> <p><u>Money Purchase Section</u></p> <p>The Trustees met with the Plan’s main Money Purchase investment manager at the 27 June 2022 Trustee meeting. As part of this meeting, the investment manager explained their decision-making process as regards the funds managed for the Plan, and the Trustees also received an update on the engagement activity carried out by the manager. The Trustees concluded that the investment manager’s approach was consistent with the SIP policies in this regard.</p>
13	<p>How the method and time horizon of evaluation of manager performance and the remuneration for asset management services are in line with the trustees’ policies.</p>	<p><u>Final Salary Section</u></p> <p>Disclosures on the Trustees’ policies were added to the SIPs in October 2022 that reflect current practice. Short and long term investment performance was reviewed through quarterly investment reports, as noted in earlier commentary.</p>

Bechtel Limited Pension Plan Appendix – Implementation Statement (continued)

Requirement	Policy / paragraph of SIP	In the year to 31 March 2023
		<p><u>Money Purchase Section:</u></p> <p>The Trustees review annually (as part of preparation of the Chair’s Statement) the extent to which the Plan provides value for members. This includes reviewing the fees paid to the investment managers, which allows us to ensure that the remuneration of the investment managers is in line with our policies. No issues were identified during the Plan year.</p>
14	<p><u>Final Salary:</u> Paragraph 9</p> <p><u>Money Purchase:</u> Paragraph 8.</p> <p>and monitor targeted portfolio turnover or turnover range.</p>	<p><u>Final Salary Section</u></p> <p>Disclosures on the Trustees’ policies were added to the SIP in October 2022 that reflect current practice.</p> <p><u>Money Purchase Section</u></p> <p>No changes in policy (last updated September 2020). Transaction costs are monitored annually as part of preparation of the annual Chair’s Statement which is published on a public website. The Trustees will continue to monitor transaction costs but has not set portfolio turnover targets; the Trustees instead assess performance net of the impact of the costs of turnover.</p>
15	<p>the duration of the arrangement with the asset manager</p>	<p>Policies added to the SIPs in October 2022 that reflect current practice.</p> <p><u>Money Purchase Section</u></p> <p>No changes in policy (last updated September 2020).</p>

Bechtel Limited Pension Plan

Appendix – Implementation Statement (continued)

Engagement policy statement

The SIPs sets out the Trustees' policies on environmental, social and governance (ESG) considerations, including stewardship and climate change.

Engagement Activity During the Year

The Trustees dedicate time at their meetings to considering ESG matters. The following work was undertaken during the Plan year relating to the activity on such matters. This summary also documents how the Plan's engagement and voting policies were implemented during the year.

Final Salary Section

Asset managers appointed by MGIE to manage Mercer funds are expected by MGIE to evaluate ESG factors, including climate change, and exercise voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code. Mercer and MGIE provided reporting to the Trustees during the year on how ESG, climate change and stewardship is integrated within Mercer's, MGIE's and the underlying asset managers' investment processes.

Engagement Policy Updates

The Trustees consider how ESG, climate change and stewardship is integrated within Mercer's, and MGIE's, investment processes and those of the underlying asset managers in the monitoring process. Mercer, and MGIE, provide reporting to the Trustees on a regular basis.

The Mercer Sustainability Policy is reviewed regularly. In August 2022 the policy update reflected enhancements to the approach to climate change modelling and transition modelling, additional detail on how the policy is implemented, monitored and governed and, as part of the commitment to promote diversity, finalising MGIE's signatory status to the UK chapter of the 30% Club. The 30% Club is a campaign group of business chairpersons and CEOs taking action to increase gender diversity on boards and senior management teams. It was established in the United Kingdom in 2010 with the aim of achieving a minimum of 30% female representation on the boards of FTSE 100 companies.

In line with the requirements of the EU Shareholder Rights Directive II, Mercer have implemented a standalone Stewardship Policy to specifically address the requirements of the Directive. This Policy was also updated in August 2022 to reflect enhancements made to Mercer's stewardship approach including an introduction of Engagement Dashboards and Trackers, an enhanced UN Global Compact engagement and escalation process and a Client engagement survey.

UN Principles of Responsible Investing scores for 2021 (based on 2020 activity) were published during Q3 2022. The Trustees noted that Mercer were awarded top marks for the overarching Investment and Stewardship Policy section, underpinned by strong individual asset class results.

Climate Change Reporting and Carbon Footprinting

The Trustees believe climate change poses a systemic risk and recognise that limiting global average temperature increases this century to "well below two degrees Celsius", as per the 2015 Paris Agreement, is aligned with the best economic outcome for long-term diversified investors. The Paris Agreement is an international treaty on climate change. Adopted in 2015, the agreement covers climate change mitigation, adaptation, and finance. Mercer supports this end goal and is committed to achieving net-zero absolute carbon emissions by 2050 for UK, European and Asian clients with discretionary portfolios, and for the majority of its multi-client, multi-asset funds domiciled in Ireland. To achieve this, Mercer plans to reduce portfolio relative carbon emissions by at least 45% from 2019 baseline levels by 2030. This decision was supported by insights gained from Mercer's Investing in a Time of Climate Change (2015 and 2019) reports, Mercer's Analytics for Climate Transition (ACT) tool and advice framework, and through undertaking climate scenario analysis and stress testing modelling.

Bechtel Limited Pension Plan

Appendix – Implementation Statement (continued)

Engagement Activity During the Year (continued)

Final Salary Section (continued)

Mercer's approach to managing climate change risks is consistent with the framework underpinning the Financial Stability Board's Task Force on Climate related Financial Disclosures (TCFD). As at 31 December 2022, the Trustees noted that Mercer are on track to reach its long-term net zero portfolio carbon emissions target. There has been a notable 16% reduction over the 3 years since 2019 baseline levels, resulting in the 45% baseline-relative reduction by 2030 being within range.

ESG Rating Review

Where available, ESG ratings assigned by Mercer are included in the investment performance reports produced by Mercer on a quarterly basis and reviewed by the Trustees. ESG ratings are reviewed by MGIE during quarterly monitoring processes, with a more comprehensive review performed annually - which seeks evidence of positive momentum on ESG integration and compares the Mercer funds overall ESG rating with the appropriate universe of strategies in Mercer's Global Investment Manager Database. Engagements are prioritised with managers where their strategy's ESG rating is behind that of their peer universe.

As at 31 December 2022, in the Annual Sustainability Report provided by Mercer, the Trustees noted over 20% of Mercer's funds have seen an improved ESG rating over the year and the majority have a rating ahead of the wider universe.

Update to Exclusions

The Trustees prefer, as an overall principle, for Mercer and MGIE to adopt an approach of positive engagement rather than negative divestment. However, the Trustees note that Mercer and MGIE recognise that there are a number of cases in which investors deem it unacceptable to profit from certain areas and therefore exclusions are appropriate.

Controversial weapons are excluded from the Mercer funds that the Plan invests in. In addition tobacco companies (based on revenue) are excluded from active equity and fixed income funds.

Mercer expanded exclusions to further promote environmental and social characteristics across the majority of the multi-client building block funds over the second half of 2022, in line with EU SFDR Article 8 classification, as well as aligning Mercer's existing active and passive exclusions across their fund range.

In addition, Mercer and MGIE monitors for high-severity breaches of the UN Global Compact (UNGC) Principles that relate to human rights, labour, environmental and corruption issues.

Bechtel Limited Pension Plan

Appendix – Implementation Statement (continued)

Engagement Activity During the Year (continued)

Money Purchase Section

The following activity was carried out during the Plan year:

Activity	Date	Details
Manager meeting	27 June 2022	<p>The Trustees met the main investment manager to the Money Purchase Section. At the meeting, the manager discussed how they integrate ESG factors, with a particular focus on engagement, in their process. Specifically:</p> <ul style="list-style-type: none"> - The investment manager outlined its approach to climate risk management, including how it was engaging with investee companies on issues such as emissions reporting, pathways to reaching “net zero” greenhouse gas emissions, and voting activity on climate issues. - The manager’s engagement approach was discussed, with reference to case studies and examples of where ESG factors had influenced voting decisions.
Adviser objectives review	9 December 2022	<p>Regulations require the Trustees to set and review strategic objectives for the investment adviser. At our December meeting, the Trustees formally reviewed the strategic objectives.</p> <p>This included reviewing the objective relating to the responsibilities we place on the adviser to consider environmental, social and governance factors (including climate change) and stewardship (voting and engagement) risks. The Trustees believe this is an important objective and hence have retained this within the objectives set for our investment adviser.</p>
Corporate governance monitoring	Quarterly	<p>Within each quarterly investment report, Legal & General Investment Management (“L&G”, the manager of c99% of the assets of the Money Purchase Section) provide a summary of their corporate governance activities, including both company-specific examples and industry-wide initiatives. Examples during the Plan year included:</p> <ul style="list-style-type: none"> - Pledging support for the Carbon Disclosure Project’s Science-Based Targets (SBTs) Campaign. L&G originally signed up to this initiative in 2021. The Campaign asked 1,600 high-impact companies to set a 1.5°C warming-aligned science-based emissions reduction target. In 2022, over 150 new companies (with emissions equal to those of Germany), joined the initiative. L&G also received independent validation of its own SBTs from the Science Based Target Initiative. - L&G engaged with the UK Government to call for the implementation of a full package of sustainable finance regulation, including a review of the UK net zero plan. In light of the transition to a new Prime Minister, L&G consider that persistence on credible planning and implementation of the net zero strategy is even more important to ensure that this issue remains at the top of the Government’s agenda. - Members of the L&G Stewardship team attended the UN Biodiversity conference COP15 in December 2022. The team contributed to panels and discussions, calling for world leaders to agree a global framework that will halt and reverse nature loss over the coming decades.

Bechtel Limited Pension Plan

Appendix – Implementation Statement (continued)

Voting Activity during the Plan year

Policy, Stewardship Priorities, and Significant Votes

As noted elsewhere, the Plan continued to invest in pooled funds during the year, rather than investing in companies directly. As such, the investment managers exercise voting rights at the pooled fund level.

Given the large number of votes that are considered by investment managers at every Annual General Meeting, for every company in every fund / portfolio, along with the timescales over which voting takes place and the resource and expertise required, the Trustees did not identify significant voting ahead of the reporting period. Instead, the Trustees have (with the support of its advisers) retrospectively reviewed the voting records of the investment managers, in order to identify significant votes in the context of the Trustees' stewardship priorities, which are:

- Climate change
- Human rights and labour practices
- Diversity, equity, and inclusion.

A vote may be considered significant where it relates to one of these priorities.

In respect of the Final Salary Section, where there are relatively few votes owing to the bond-based, low risk strategy (bonds do not generally carry voting rights), the most significant proposals reported relate to companies with the largest weights in the relevant portfolio.

Final Salary Section

The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to the Plan's investments to the third-party investment managers appointed by Mercer on the Trustees' behalf.

This is because any voting rights that do apply with respect to the underlying investments attached to the Mercer Funds are, ultimately, delegated to the third-party investment managers appointed by MGIE. In delegating these rights, MGIE accepts that managers are typically best placed to exercise voting rights and prioritise particular engagement topics by security, given they are expected to have detailed knowledge of both the governance and the operations of the companies and issuers they invest in. However, Mercer has a pivotal role in monitoring their stewardship activities and promoting more effective stewardship practices, including ensuring attention is given to more strategic themes and topics. As such, proxy voting responsibility is given to listed equity investment managers with an expectation that all shares are to be voted in a timely manner and a manner deemed most likely to protect and enhance long-term value. Mercer and MGIE carefully evaluates each sub-investment manager's capability in ESG engagement and proxy voting, as part of the selection process to ensure it is representing Mercer's commitment to good governance, integration of sustainability considerations. Managers are expected to take account of current best practice such as the UK Stewardship Code 2021, to which Mercer is a signatory. As such the Trustees do not use the direct services of a proxy voter.

Voting: As part of the monitoring of managers' approaches to voting, MGIE assesses how managers are voting against management and seeks to obtain the rationale behind voting activities, particularly in cases where split votes may occur (where managers vote in different ways for the same proposal). MGIE portfolio managers will use these results to inform their engagements with managers on their voting activities.

Bechtel Limited Pension Plan

Appendix – Implementation Statement (continued)

Voting Activity during the Plan year (continued)

Final Salary Section (continued)

Set out below is a summary of voting activity for the year to 31 March 2023 for the Mercer Funds that the Plan's assets are invested in. This may include information in relation to funds that the Plan's assets were no longer invested in at the year-end. The statistics set out in the table below are drawn from the Glass Lewis voting system (via Mercer's custodian). Typically, votes exercised against management can indicate a thoughtful and active approach. This is particularly visible where votes have been exercised to escalate engagement objectives. The expectation is for all shares to be voted.

Fund	Total Proposals		Vote Decision					For/Against Mgmt	
	Eligible Proposals	Proposals Voted On	For	Against	Abstain	No Action	Other	For	Against

Mercer Multi-Asset Credit Fund ⁽¹⁾	11	11	91%	9%	0%	0%	0%	91%	9%
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"Proposals Voted On" reflect the proposals managers have voted on over the period (including votes For and Against, and any frequency votes encompassed in the "Other" category)"

- "No Action" reflects instances where managers have not actioned a vote. MGIE may follow up with managers to understand the reasoning behind these decisions, and to assess the systems managers have in place to ensure voting rights are being used meaningfully
- "Other" refers to proposals in which the decision is frequency related (e.g. 1 year or 3 year votes regarding the frequency of future say-on-pay).

Significant votes

Fund	Shareholder Proposal ("SHP")	Issuer	Vote Decision
Mercer Multi-Asset Credit Fund	Shareholder Proposal Regarding Proxy Access Bylaw Amendment	Nisource Inc. (Holding Co)	For
	Management Proposal Regarding Election of Directors	Nisource Inc. (Holding Co)	For

Money Purchase Section

The Trustees delegate voting rights to the investment managers. The majority of voting activity arises in respect of public equities and the Trustees have received voting information relating to funds that invest in public equities. The Plan makes available to members the following daily dealt, daily priced pooled funds. Funds highlighted in blue rows in the table hold equities.

L&G Funds	Other Funds
Multi-Asset (was Consensus Index)	Aviva BlackRock UK Equity Index Tracker
L&G Diversified	Aviva With Profits
L&G Global Equity (70:30) Index	Aviva Stewardship
Over 5 year Index-Linked Gilts	
Over 15 year Fixed Interest Gilts	
Cash	

The Trustees have requested and reviewed the voting disclosures relating to the funds listed in the table which invest in public equities (shaded in blue). These are summarised overleaf.

Bechtel Limited Pension Plan Appendix – Implementation Statement (continued)

Voting Activity during the Plan year (continued)

Money Purchase Section (continued)

Fund	12 Months to 31 March 2023					
	No. meetings eligible to vote	No. resolutions eligible to vote	% resolutions voted on where eligible	Of resolutions voted, % voted with management	Of resolutions voted, % voted against management	Of resolutions voted, % abstained
L&G Funds						
Multi-Asset (was Consensus Index)	9,818	10,0094	99.8%	77.6%	21.7%	0.7%
Diversified	9,541	99,252	98.8%	77.4%	21.9%	0.7%
Global Equity (70:30) Index	7,319	76,499	99.9%	80.7%	18.2%	1.1%
Other Funds						
Aviva BlackRock UK Equity Index Tracker*	680	10,135	100.0%	96.1%	3.9%	0.5%
Aviva With Profits	46	689	100.0%	97.4%	2.6%	0.0%
Aviva Stewardship	51	841	99.5%	96.2%	2.9%	1.0%

* Owing to the way in which BlackRock report voting activity, values for % resolutions voted against/for/abstain may not total 100% due to reasons including lack of management recommendation, cases where an agenda has been split voted, multiple ballots for the same meeting (where BlackRock voted differing ways), etc.

Source: Investment Managers. Totals may not sum due to rounding.

Bechtel Limited Pension Plan

Appendix – Implementation Statement (continued)

Significant votes (Money Purchase Section)

L&G Multi-Asset (was Consensus Index) Fund	
Company	Amazon
Item	Election of a named director
Date	25 May 2022
Why considered significant	Relates to human rights and labour practices, one of the Trustee's stewardship priorities.
Vote	Against the election of the director
Rationale	<p>L&G has engaged with Amazon over a period of time to discuss its approach to, and policies on, various human capital topics, including health and safety, and employee rights to freedom of association and collective bargaining.</p> <p>With these issues in mind, L&G decided to vote against the election of a particular director, as he had been a long-standing member of Amazon's Leadership Development & Compensation Committee which is accountable for what L&G consider to be human capital management failings.</p> <p>L&G pre-declared its vote intention for this resolution, demonstrating its significance.</p>
Outcome	Pass (for management). L&G intend to keep human rights and labour practices on the agenda at meetings with Amazon, and continues to push for more transparency.

L&G Diversified Fund	
Company	Total Energies SE
Item	Resolution to approve the company's Sustainability and Climate Transition Plan
Date	25 May 2022
Why considered significant	Relates to climate change, which is one of the Trustee's stewardship priorities.
Vote	<p>The investment manager recognises the progress Total has made with respect to its net zero emissions commitment, specifically around investment in low carbon solutions and by improving its public disclosures.</p> <p>However, L&G were still concerned about upstream production growth, and the absence of further details in the Sustainability & Climate Transition Plan on how such plans are consistent with a 1.5°C warming path.</p> <p>Therefore, L&G voted against the approval of Total's Sustainability & Climate Transition Plan.</p> <p>This represented an escalation of L&G's engagement activity and was intended as a public call for high quality, credible transition plans to be subject to a vote.</p>
Rationale	Against management.
Outcome	Pass (for management). L&G will continue to engage with Total on this topic.

Bechtel Limited Pension Plan

Appendix – Implementation Statement (continued)

Significant votes (Money Purchase Section)

L&G Global Equity (70:30) Index Fund	
Company	NVIDIA Corporation
Item	Election of a named male Director
Date	2 June 2022
Why considered significant	Relates to diversity, equity, and inclusion, which is one of the Trustees' stewardship priorities.
Vote	Against management.
Rationale	Nvidia is a technology company focused on artificial intelligence computing. A vote against the election of a director was applied as L&G expects a company to have at least 25% women on the board with the expectation of reaching a minimum of 30% by 2023. L&G has therefore been targeting large companies by voting against directors of boards that fail to meet these standards. Further, the vote was deemed appropriate as L&G expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background.
Outcome	Passed (for management).

Aviva BlackRock UK Equity Index Tracker (BlackRock is the underlying manager)	
Company	Rio Tinto
Item	Approve Climate Action Plan
Date	8 April 2022
Why considered significant	Relates to climate change, which is one of the Trustees' stewardship priorities.
Vote	For
Rationale	<p>The investment manager, BlackRock, voted for a management proposal seeking shareholders' approval of the Rio Tinto Group's Climate Action Plan. This action plan, and its associated targets and disclosures, are consistent with what BlackRock look for, and, in their assessment, demonstrate management and board responsiveness to shareholder feedback.</p> <p>The manager further notes that Rio Tinto has accelerated their plans in "managing physical climate change risk through risk-based adaptation practices" that the group deems essential to enhance the resilience of assets and communities. The Climate Action Plan articulates the specific steps that the group will take in alignment with their commitment to net zero by 2050, which includes setting more ambitious interim targets and having in place clear board oversight.</p>
Outcome	The vote passed.

Bechtel Limited Pension Plan

Appendix – Implementation Statement (continued)

Significant votes (Money Purchase Section)

Aviva With Profits	
Company	Keyence
Item	Approve allocation of income, including the final dividend
Date	10 June 2022
Why considered significant	While there were no votes in this portfolio that met the Trustees' stewardship priorities criteria, this vote is considered significant as it related to one of the Fund's larger stock positions, and was a vote against management.
Vote	Against management
Rationale	Keyence is a Japanese manufacturer of industrial automation and inspection equipment. The investment manager voted against management's proposed dividend, on the grounds that it was considered too low.
Outcome	The vote passed, but with reasonably material shareholder dissent.

Aviva Stewardship	
Company	Greggs Plc
Item	Approval of remuneration report
Date	17 May 2022
Why considered significant	Relates to human rights and labour practices, one of the Trustee's stewardship priorities.
Vote	Against
Rationale	The investment manager considered that it was unclear how, if at all, workers for this company were earning a minimum wage (let alone a living wage). To express dissent on this topic, a vote against the pay resolution was considered appropriate. The investment manager continues to engage with the company on this matter.
Outcome	Pass (for management).