

# Implementation Statement

## Covering 1 April 2024 to 31 March 2025

### 1. Background

The Trustee of the Pioneer Technology United Kingdom Limited Pension Plan (the “Plan”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the Plan’s Statement of Investment Principles (“SIP”) during the previous Plan year. This statement also includes the details of any reviews of the SIP during the year, any changes that were made and reasons for the changes.

A description of the voting behaviour during the year, either by or on behalf of the Trustee, or if a proxy voter was used, also needs to be included within this statement.

This statement should be read in conjunction with the SIPs and have 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.

The SIP has recently been updated to reflect strategy changes and at the time of writing has yet to be uploaded to the website. A copy of the 2024 SIP can be found at: [Statement of Investment Principles \(PTK\) June 2024.pdf \(pioneer-car.eu\)](#)

#### **Investment Objectives and activity**

The objective of the Trustee is over the long term, to achieve a return on the Plan’s assets which is consistent with the assumptions made by the Scheme Actuary, to ensure sufficient liquidity to meet benefits as they fall due, and to consider the interests of the Employer in relation to the size and volatility of the Employer’s contribution requirements.

During the year a manager selection and strategy decisions were made in order to reflect the new objectives set. There were some disinvestments made to meet cash flow requirements and total disinvestments from specific funds that no longer suit the investment strategy as well as new investments made for the same purpose.

The SIP was last updated in June 2024, and the Trustee has since made major changes to their investment portfolio. Following an investment strategy review and advice from Capita in December 2024 and in January 2025, the Trustee proceeded to implement a new investment strategy for the Plan. The strategy changes disinvested fully from Payden Absolute Return bond fund in December 2024 and further advice to disinvested fully from Abrdn Diversified Growth fund and Pyrford Global Total Return fund in January 2025. A new SIP review will be needed to reflect the changes in the Portfolio.

### 2. ESG, Stewardship and Climate Change

The Plan’s SIP includes the Trustee’s policy on Environmental, Social and Governance (“ESG”) factors, stewardship and climate change. This policy sets out the Trustee’s belief on ESG and climate change, and the processes followed by the Trustee in relation to voting rights and stewardship.

## Implementation Statement (continued)

### 3. Voting and Engagement

The Trustee is keen that their investment managers are signatories of the UK Stewardship Code, all of which are current signatories.

The Trustee has elected to invest in pooled funds and cannot, therefore, directly influence the ESG policies, including the day-to-day application of voting rights, of the funds in which it invest. However, the Trustee will consider these policies in all future selections and will deepen its understanding of its existing managers' policies.

The Plan held the following funds during the year:

- LGIM Future World Global Equity Index Fund
- LGIM Future World Global Equity Index Fund (£ hedged)
- Abdrn Diversified Growth Fund\*
- Pyrford Global Total Return Fund\*
- Payden & Rygel Absolute Return Bond\*
- CTM Real Dynamic LDI
- CTM Nominal Dynamic LDI
- CTM Sterling Liquidity Fund

\*No current holdings – fully disinvested during the year.

The underlined funds are predominantly fixed income and do not hold physical equities and hence there are no voting rights and voting data for the Trustee to report on or were disinvested from during the Plan year, therefore no information have been provided.

### 4. Description of investment managers' voting processes

#### a. LGIM

LGIM describe their voting process as follows:

“All decisions are made by LGIM's Investment Stewardship team and in accordance with our relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company. This ensures our stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

LGIM's voting and engagement activities are driven by ESG professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for clients. Their voting policies are reviewed annually and take into account feedback from clients.

Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders (civil societies, academia, the private sector, and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as LGIM continue to develop their voting and engagement policies and define strategic priorities in the years ahead. They also take into account, client feedback received at regular meetings and/or, ad-hoc comments or enquiries.

## Implementation Statement (continued)

LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and we do not outsource any part of the strategic decisions. Our use of ISS recommendations is purely to augment our own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services (IVIS) to supplement the research reports that we receive from ISS for UK companies when making specific voting decisions.

To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what we consider are minimum best practice standards which we believe all companies globally should observe, irrespective of local regulation or practice.

We retain the ability in all markets to override any vote decisions, which are based on our custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) that allows us to apply a qualitative overlay to our voting judgement. We have strict monitoring controls to ensure our votes are fully and effectively executed in accordance with our voting policies by our service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform us of rejected votes which require further action.

### 5. Summary of voting behaviour over the year

#### a. LGIM

A summary of LGIM's voting behaviour over the period is provided in the tables below:

	Summary Info
Manager name	Legal & General Investment Management
Fund name	Future World Global Equity Index Fund
Approximate value of Trustees' assets	c.£3.4m as at 31 March 2025 c.£1.2m as at 31 March 2025 - £ hedged
Number of equity holdings in the fund	3,197
Number of meetings eligible to vote	5,515
Number of resolutions eligible to vote	55,096
% of resolutions voted	99.80%
% of resolutions voted with management	81.00%
% of resolutions voted against management	17.89%
% of resolutions abstained	1.11%
In what % of meetings, for which you did vote, did you vote at least once against management?	58.60%
% of resolutions voted contrary to the proxy adviser recommendation	9.71%

## Implementation Statement (continued)

### 6. Most significant votes over the year

#### a. LGIM

LGIM describes its process for determining the “most significant” votes as follows:

“As regulation on vote reporting has recently evolved with the introduction of the concept of ‘significant vote’ by the EU Shareholder Rights Directive II, LGIM wants to ensure we continue to help our clients in fulfilling their reporting obligations. We also believe public transparency of our vote activity is critical for our clients and interested parties to hold us to account.

For many years, LGIM has regularly produced case studies and/ or summaries of LGIM’s vote positions to clients for what we deemed were ‘material votes’. We are evolving our approach in line with the new regulation and are committed to provide our clients access to ‘significant vote’ information.

In determining significant votes, LGIM’s Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny.
- Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at LGIM’s annual Stakeholder roundtable event, or where we note a significant increase in requests from clients on a particular vote.
- Sanction vote because of a direct or collaborative engagement.
- Vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship’s 5-year ESG priority engagement themes.

We provide information on significant votes in the format of detailed case studies in our quarterly ESG impact report and annual active ownership publications.

The vote information is updated on a daily basis and with a lag of one day after a shareholder meeting is held. We also provide the rationale for all votes cast against management, including votes of support to shareholder resolutions.

If you have any additional questions on specific votes, please note that LGIM publicly discloses its vote instructions on our website at: <https://vds.issgovernance.com/vds/#/MjU2NQ==/> .”

## Implementation Statement (continued)

### **Examples of significant votes over the period for the LGIM World Emerging Equity Index Fund and LGIM World Emerging Equity Index Fund – Hedged fund**

Company name	Microsoft Corporation	Amazon.com, Inc.
Date of vote	10/12/2024	22/05/2024
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	4.9%	1.8%
Summary of the resolution	Resolution 9: Report on AI Data Sourcing Accountability	Resolution 6: Report on Customer Due Diligence
How you voted	For	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
Rationale for the voting decision	Shareholder Resolution - Governance: A vote FOR this resolution is warranted as the company is facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While the company has strong disclosures on its approach to responsible AI and related risks, shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models	Shareholder Resolution - Human Rights: A vote in favour is applied as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for some products and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic.
Outcome of the vote	Fail	N/A
Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.

<p>On which criteria (as explained in the cover email) have you assessed this vote to be "most significant"?</p>	<p>High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.</p>	<p>Pre-declaration and High-Profile Meeting: This shareholder resolution is considered significant as one of the largest companies and employers not only within its sector but in the world, we believe that Amazon's approach to human capital management issues has the potential to drive improvements across both its industry and supply chain. LGIM voted in favour of this proposal last year and continue to support this request, as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for their products (RING doorbells and Recognition) and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic. Despite this, Amazon's coverage and reporting of risks falls short of our baseline expectations surrounding AI. In particular, we would welcome additional information on the internal education of AI and AI-related risks.</p>
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