

Implementation Statement (“IS”)

PPG Industries (UK) Limited Pension Plan (AC & Industries Divisions) (the “Plan”)

Year Ending – 5 April 2025

The purpose of the Implementation Statement is for us, the Trustee of the PPG Industries (UK) Limited Pension Plan, to explain what we have done during the year ending 5 April 2025 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. A summary of any review and changes made to the SIP over the year
2. How our policies in the SIP have been followed during the year; and
3. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In our view, most of the Plan’s material investment managers were able to disclose adequate evidence of voting and engagement activity, and the activities completed by our managers align with our stewardship expectations.

We delegate the management of the Plan’s defined benefit (DB) assets to our fiduciary manager, Aon Investments Limited (“AIL”). We believe the activities completed by our fiduciary manager to review the underlying managers’ voting and engagement policies, and activities align with our stewardship expectations. We believe our voting rights have been implemented effectively on our behalf.

Changes to the SIP during the year

There were no changes to the Statement of Investment Principles (SIP) during the plan year.

The Plan's latest SIP can be found here:

<https://www.mypgppension.com/pdf/ppg-db-sip-june2022-f.pdf>

How the policies in the SIP have been followed

In the table below we set out what we have done during the year to meet the policies in the SIP.

Strategy	Over the plan year there were no changes in the investment objective of the plan.
Division of Responsibilities	We have delegated certain decision-making powers to Aon Investments Limited (AIL) and have taken advice from Aon Solutions UK Limited regarding the suitability of the Manager in this capacity. We recognise that there is a conflict of interest in taking this advice, as such we have appointed XPS (the "Fiduciary Reviewer") to provide a periodic independent review of the Manager.
Risk	We receive quarterly reports for each Division of the Plan showing the asset allocation, overall performance versus the Plan's investment objective and liability benchmark, and any significant issues with the fund managers chosen by the Fiduciary Manager (Underlying Managers) that may impact their ability to provide the service agreed. These quarterly reports give us a better understanding of the risks associated with the Fund's investments and allow us to mitigate risk accordingly, for example through the use of hedging.
Stewardship – voting and engagement	We annually review the stewardship activity of the Underlying Managers to ensure the Plan's stewardship policy is being appropriately implemented in practice. This review improves our perception to the extent of which the Underlying Managers' stewardship activity is in line with the Plan's stewardship policy.
Arrangements with investment managers	We receive regular reports and verbal updates from the Fiduciary Manager on various items including the investment strategy, performance, and longer-term positioning of the portfolio. We also receive annual stewardship reports on the monitoring and engagement activities carried out by the Fiduciary Manager, which supports us in determining the extent to which the Plan's engagement policy has been followed throughout the year. We believe that having appropriate governing documentation, setting clear expectation to the Fiduciary Manager, and regular monitoring of the Fiduciary Manager's performance and investment strategy is sufficient in incentivising the Fiduciary Manager to make decisions that align with our policies.
Cost transparency	We receive annual cost transparency reports from the Fiduciary Manager. These reports present information in line with prevailing regulatory requirements for fiduciary managers. We assess the (net of all costs) performance of the Fiduciary Manager on a rolling three-year basis against the Plan's specific liability benchmark and investment objective. The remuneration paid to the Fiduciary Manager and fees incurred by the Underlying Managers are provided annually by the Fiduciary Manager. This cost information is set out alongside the performance of the Fiduciary Manager to provide context. We monitor these costs and performance trends over time, which provides us with a greater understanding of the costs associated with the Plan and allows us to meet the objectives of the Plan more effectively.

Our Engagement Action Plan

Based on the work we have done for the IS, we have decided to take the following steps over the next 12 months:

1. Our fiduciary manager has informed us that, at the time of writing, the following investment managers were unable to provide all the stewardship information requested:
 - Whilst L&G provided all information required, which we find encouraging, there were still some issues with the way in which this was reported in comparison to industry peers, i.e. not providing information in the Investment Consultant Sustainability Working Group (ICSWG) template.
 - Arrowstreet, Man Group and GQG did not provide fund level engagement information.
 - Harris did not provide any data on the themes engaged on at a fund or firm level.
 - Marshall Wace provided limited engagement information but did provide detailed illustrative examples of its engagement activity at a firm level and stated that the manager undertakes engagement initiatives at the firm rather than strategy level.
 - M&G did not provide fund level engagement information. The manager said that the fund does not have specific engagement breakdowns, so they are unable to provide the data in the ICSWG template.
 - CVC did not provide any engagement information requested. The manager said that given both the nature of the request and the nature of the strategy they will not be able to provide this data

Whilst the opportunities for engagement for certain asset classes (like alternatives, hedge funds, etc) may look different to other investments, such as equity and corporate bonds, we still expect our managers to demonstrate and report on some level of engagement, as far as is practicable.

Our fiduciary manager will engage with these managers to encourage them to provide more detailed and meaningful disclosures about their stewardship activities and better understand their engagement practice

2. We will undertake more regular meetings with our fiduciary manager if required, to ensure our fiduciary manager is using its resources to effectively influence positive outcomes in our relevant funds.

Stewardship and the exercise of our voting rights

We delegate the management of the Scheme's DB assets, including stewardship activities, to our fiduciary manager, Aon. Aon managed the Scheme's assets by investing in a range of pooled funds including (but not limited to) equity, credit, multi-asset, multi-manager and liability matching funds.

Aon selects the underlying investment managers on our behalf, and further delegates the responsibility for the selection, retention and realisation of investments to the appointed underlying investment managers in whose funds we invest. In practice, this means that Aon also delegates stewardship of underlying investments to the appointed investment managers.

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which ESG issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

Our fiduciary manager's engagement activity

We delegate the management of the Plan's DB assets to our fiduciary manager, AIL. AIL manages the Plan's assets in a range of funds which can include multi-asset, multi-manager and liability matching funds. AIL selects the underlying investment managers on our behalf.

We delegate monitoring of ESG integration and stewardship of the underlying managers to AIL. We have reviewed AIL's latest annual Stewardship Report, and believes it shows that AIL is using its resources to effectively influence positive outcomes in the funds in which it invests.

Over the year, AIL held several engagement meetings with many of the underlying managers in its funds. At these meetings, AIL discussed ESG integration, stewardship, climate, biodiversity, and modern slavery with the investment managers, and provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

Over the year, AIL also engaged with the industry through white papers, working groups, webinars, and network events, as well as responding to multiple consultations.

AIL has a net zero commitment to deliver UK delegated investment portfolios and default strategies which have a net zero carbon emissions profile by 2050.

AIL also successfully renewed its signatory status to the 2020 UK Stewardship Code, which is a voluntary code established by the Financial Reporting Council that sets high standards on stewardship for asset owners, investment managers and service providers.

What is fiduciary management?

Fiduciary management is the delegation of some, or all, of the day-to-day investment decisions and implementation to a fiduciary manager. But the trustees still retain responsibility for setting the high-level investment strategy.

In fiduciary management arrangements, the trustees will often delegate monitoring ESG integration and asset stewardship to its fiduciary manager.

Our managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Plan's investments is an important factor in deciding whether a manager remains the right choice for the Plan.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Plan's equity-owning investment managers to responsibly exercise their voting rights.

Voting statistics

The table below shows the voting statistics for each of the Plan's material funds with voting rights for the year to 31 March 2025. Managers collate voting information on a quarterly basis. The voting information provided is for the year to 31 March 2025 which broadly matches the Plan year.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
GQG Partners ("GQG") - Global Equity Fund (Hedged)	655	100.0%	1.7%	1.8%
Harris Associates ("Harris") - Global All Cap Equity Strategy (Hedged)	746	100.0%	1.2%	0.0%
Legal and General Asset Management ("L&G") - Multi-Factor Equity Fund	11,446	99.8%	20.8%	0.4%
UBS Global Asset Management ("UBS") - Emerging Market Equity Climate Transition Fund	7,747	*85.0%	6.6%	4.3%

Source: Investment Managers. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote. (*) We engaged with UBS to understand why the % of resolutions voted was lower than we would expect of equity managers. UBS confirmed that there are markets, including emerging markets, where it does not exercise voting rights due to the local market restrictions.

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the Plan's material equity-owning managers use proxy voting advisers.

Managers	Description of use of proxy voting advisers (in the managers' own words)
GQG	To augment our independent research, we use Institutional Shareholder Services Inc. ("ISS") as an additional source of information to guide our

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

	voting. While we find ourselves voting with ISS on the majority of issues, we do not blindly follow their lead and will vote against their recommendations when we deem it necessary.
Harris	We use our own Harris policy that ISS implements on our behalf.
L&G	L&G's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by L&G and we do not outsource any part of the strategic 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.
UBS	UBS AM retains the services of Institutional Shareholder Services (ISS) for the physical exercise of voting rights and for supporting voting research. UBS retains full discretion when determining how to vote at shareholder meetings.

Source: Investment Managers

Significant voting examples

To illustrate the voting activity being carried out on our behalf, we asked the Plan's investment managers to provide a selection of what they consider to be the most significant votes in relation to the Plan's funds. A sample of these significant votes can be found in the appendix.

Our managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Plan's material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e. is not necessarily specific to the funds invested in by the Plan.

Funds	Number of engagements		Themes engaged on at a fund/ firm level
	Fund level	Firm level	
GQG - Global Equity Fund (Hedged)*	Not provided	54	Environment - Climate Change; Pollution, Waste Social - Inequality; Public Health Governance - Leadership - Chair/CEO; Remuneration; Shareholder Rights Strategy, Financial and Reporting* - Risk management
Harris - Global All Cap Equity Strategy (Hedged)	~200	~1,200	Not provided
Aberdeen - Climate Transition Fund	104	1,868	Environment - Other Environment Related; Climate Change Social - Human Right & Stakeholder; Labour Management Governance - Corporate Governance; Corporate Behaviour
L&G - Diversified Credit Fund	326	4,399	Environment - Climate Impact Pledge; Climate Change Social - Human Rights; Gender Diversity Governance - Capital Management; Remuneration Other - Corporate Strategy
Aegon - European ABS Fund	115	422	Environment - Climate Change Social - Social; Human and Labour Rights Governance - Governance, Remuneration Other - General Disclosure
M&G Investments - Sustainable Total Return Credit Investment Fund	12	406	Environment - Net Zero/Decarbonisation; Nature and Biodiversity; Climate Change; CA 100+ Specific Engagements Social - Diversity & Inclusion Governance - Executive Remuneration
Ardea - Global Alpha UCITS Fund	40	40	Environment - Climate Change Other - Green Government Bonds
Arrowstreet - ESG Global Equity Long/Short Fund*	Not provided	159	Environment - Water Quality; Water Security Social - Human and Labour Rights; Community Relations Governance - Business Ethics
Caius Capital - International Fund	30	30	Governance - Board effectiveness - Other; Leadership - Chair/CEO Strategy, Financial & Reporting - Strategy/Purpose; Financial Performance
Man Group - Alternative Risk Premia*	Not provided	66	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights; Human Capital Management Governance - Remuneration
Marshall Wace - Market Neutral ESG Tops Fund*	Not provided		Environment - Climate Change; Natural Resource Use/Impact

Fidera - Distressed Asset IV	661	661	Environment - Natural resource use/impact, Pollution, Waste Social - Human capital management, Conduct, culture and ethics Governance - Board effectiveness - Diversity, Independence or Oversight, Leadership - Chair/CEO Strategy, Financial and Reporting - Capital allocation, Reporting, Financial performance
L&G - Multi-Factor Fund (Unhedged)	682	4,399	Environment - Climate Impact Pledge, Climate Change, Deforestation Social - Human Rights, Gender Diversity, Income Inequality Governance - Capital Management; Remuneration, Board Composition Other - Corporate Strategy, Regulation
M&G - Debt Opportunities Fund IV*	Not provided	406	Environment - Climate Change Social - Human Capital Management; Human and Labour Rights Governance - Board effectiveness. - Diversity Other - Multiple ESG Topics
UBS - Emerging Market Equity Climate Transition Fund	38	425	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights Governance - Remuneration; Board effectiveness - Other
CVC - Global Special Situations II			<i>Not provided</i>

Source: Investment Managers.

Harris engagement numbers are estimated

*These managers did not provide fund level themes; themes provided are at a firm-level:

Data limitations

At the time of writing, the following managers did not provide all the information we requested:

- L&G has provided complete engagement information. We note that the total number of engagements above refers specifically to the total number of interactions L&G held with individual companies as opposed to the number of engagements on specific engagement themes. Each interaction may cover multiple themes.
- M&G for its Debt Opportunities fund, Marshall Wace ,Arrowstreet, Man Group and GQG did not provide fund level engagement information.
- Harris did not provide any data on the themes engaged on at a fund or firm level
- Marshall Wace provided limited engagement information but did provide detailed illustrative examples of its engagement activity at a firm level and stated that the manager undertakes engagement initiatives at the firm rather than strategy level.
- M&G did not provide fund level engagement information, The manager said that the fund does not have specific engagement breakdowns, so they are unable to provide the data in the ICSWG template.
- CVC did not provide any engagement information requested. The manager said that given both the nature of the request and the nature of the strategy they will not be able to provide this data.

This report does not include commentary on certain asset classes such as liability driven investments, currencies, gold, insurance linked securities, gilts or cash because of the limited materiality of stewardship to these asset classes.

Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by the Plan's managers. The Trustee considers a significant vote to be one which the manager deems to be significant or a vote where more than 15% of votes were cast against management. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below in the managers' own words:

GQG - Global Equity Fund (Hedged)	Company name	Meta Platforms, Inc.
	Date of vote	29 May 2024
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	6.5
	Summary of the resolution	Amend Corporate Governance Guidelines
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No, It is not GQG Policy to disclose voting intention to companies pre-vote.
	Rationale for the voting decision	A vote FOR this proposal is warranted, as it would enhance the lead independent director duties.
	Outcome of the vote	Fail
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	Not provided
	On which criteria have you assessed this vote to be most significant?	This vote was deemed significant based on the topic, size of holdings, dissent level and it was a vote against Management.
	On which criteria have you assessed this vote to be most significant?	
Harris - Global All Cap Equity Strategy (Hedged)	Company name	Glencore plc
	Date of vote	01 May 2024
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	2.2
	Summary of the resolution	Approve 2024-2026 Climate Action Transition Plan
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	N/A
	Rationale for the voting decision	After engaging with the company and NGOs, we decided to support the 2024-2026 Climate Action Transition Plan and will continue to monitor the situation.
	Outcome of the vote	Pass
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	We will continue to monitor the situation, and to conduct and escalate engagement as needed.
	On which criteria have you assessed this vote to be most significant?	Significant exposure to climate risk
	On which criteria have you assessed this vote to be most significant?	
L&G - Multi-Factor Equity Fund	Company name	JPMorgan Chase & Co.
	Date of vote	21 May 2024
	Approximate size of	0.6

	fund's/mandate's holding as at the date of the vote (as % of portfolio)	
	Summary of the resolution	Resolution 1c: Elect Director Todd A. Combs
	How you voted?	Votes against resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	L&G 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	Joint Chair/CEO: A vote against is applied as L&G expects companies to respond to a meaningful level of shareholder support requesting the company to implement an independent Board Chair.
	Outcome of the vote	Pass
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	L&G will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	On which criteria have you assessed this vote to be most significant?	Thematic - Board Leadership: L&G considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.
UBS - Emerging Market Equity Climate Transition Strategy	Company name	Zai Lab Limited
	Date of vote	18 June 2024
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	Not provided
	Summary of the resolution	Advisory Vote to Ratify Named Executive Officers' Compensation
	How you voted?	Votes against resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	Executive pay is not aligned with performance. Majority of awards vest without reference to performance conditions. Lack of a clawback provision.
	Outcome of the vote	Pass
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	Given strong shareholder opposition, we shall monitor further developments.
	On which criteria have you assessed this vote to be most significant?	Over 32% of shareholders voted against the resolution.

Source: Investment Managers