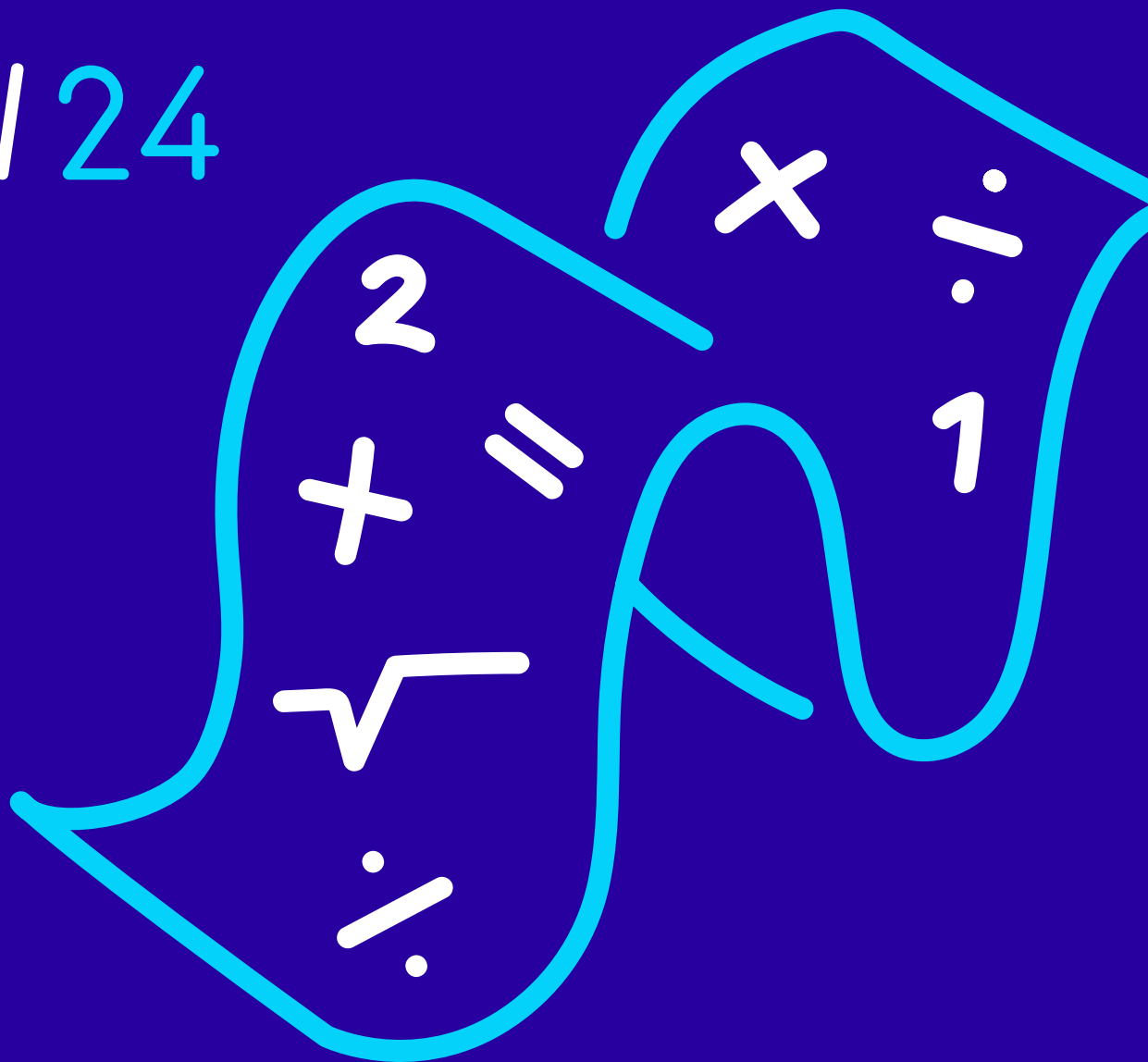


Implementation statement - The People's Pension

for the year ended 31 March 2024

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Purpose of this statement

This implementation statement has been produced by the Trustee of The People's Pension ("the Scheme") to set out the following information over the year to 31 March 2024:

- how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year.
- the voting activity undertaken by the Scheme's investment managers on behalf of the Trustee over the year, including information regarding the most significant votes and the use of any proxy voting services.
- A summary of any review and changes to the Statement of Investment Principles ("SIP") over the period; and,
- A description of how the Trustee's policies, included in their SIP, have been followed over the year.

Governance

The overall governance of the pension scheme is outlined in the Scheme's SIP. The fiduciary responsibility sits with the Trustee. The Trustee has an Investment Committee ("the Committee") to govern the investments of the Scheme. The Committee is made up of 3 members of the Trustee Board.

Appointed by the Trustee are investment service providers who provide advice, recommendations, training, implementation, and administration services to the Scheme. This includes People's Partnership ("PP") whose internal investment function provides services to The People's Pension and other schemes that People's Partnership administer, and the Trustee's independent investment adviser, Barnett Waddingham.

The Board of People's Investment Limited is responsible for overseeing People's Partnership's internal investment function. The members of the Board have decades of industry experience and provide key insight to assist the Trustee in making investment decisions.

In practice, People's Partnership work alongside the other investment service providers (refer to Figure 1 below) to make recommendations relating to the investment portfolio. This work is reviewed by the Board of People's Investment Limited. Barnett Waddingham will also review proposals and provide independent advice on their suitability to the Trustee, whether that be the full Trustee Board or the Investment Committee. A decision is then made by the Trustee or Committee on how to proceed.

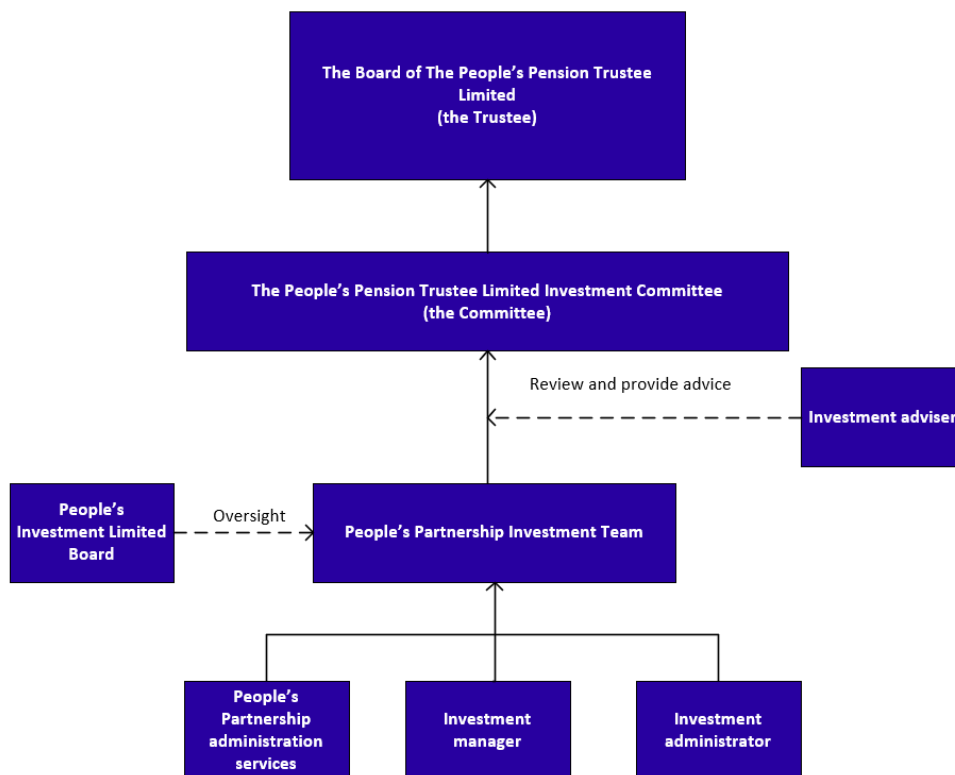


Figure 1: The People's Pension decision making structure

The Trustee's responsibilities in respect of Scheme investments and the implementation of SIP policies

In the Trustee's opinion, the Statement of Investment Principles has been met over the year in the following ways:

- The Scheme offers a suitable default strategy for members. A review of the default strategy was undertaken between October 2023 and January 2024 and deemed appropriate by the Scheme's investment adviser based on detailed analysis of the membership, the relevant investment risks, the Trustee's objectives, and in-flight developments to the investment strategy. A number of significant developments have been announced in recent months. This includes moving £15 billion of assets into climate-aware investment strategies – the biggest single move of its kind by a UK master trust.
- The Scheme offers a range of self-select fund options which give members a reasonable choice from which to select their own strategy. The self-select fund range was reviewed as part of the wider investment strategy review described above, which was carried out between October 2023 and January 2024. As part of this review, the Scheme's investment adviser concluded that the fund choices currently offered to members remain reasonable and provide a reasonable range of investments that cater to both financial and non-financial matters.

The Trustee's responsibilities in respect of Scheme investments and the implementation of SIP policies (continued)

- The Trustee monitors the performance of the managers and funds quarterly relative to their stated objectives. Reviews of performance are provided in context to overall market movements, and the appropriate time horizon of the Trustee's objectives. In addition to this, consideration is given to the qualitative views held by People's Partnership and the Trustee's investment adviser with respect to the investment managers. These qualitative views are based upon research into the managers' investment operations including an analysis of the firm's business environment, the investment team involved, and the investment processes employed. People's Partnership, the Trustee's investment adviser, and managers provide quarterly reports for review.
- The Scheme's SIP is reviewed as part of any changes to underlying funds or strategy, as well as changes to the Trustee's investment policies, or change in relevant legislation. The SIP in force during the period was approved in April 2023. The SIP was updated in April 2023 following the investment review in 2022, where new asset classes and updated fund objectives were introduced. The Trustee also refreshed the Scheme's policy on Climate Change, working in collaboration with People's Partnership, as well as its investment adviser. A copy of the 2023 SIP is available here:
<https://thepeoplespension.co.uk/downloads/statement-of-investment-principles-2023>
- The SIP was updated post year-end in April 2024 following the investment review in 2023. This update captured the Trustee's decision to update the Responsible Investment Policy and their new policy on investing in illiquid assets in the default strategy (as required by regulation). The Trustee worked on these changes in collaboration with the People's Partnership, as well as its investment adviser, during the period. A copy of the 2024 SIP is available here:
<https://www.thepeoplespension.co.uk/jargonbuster/statement-investment-principles-sip/>
- The Trustee made no new manager appointments over the year. During the year under review, the Trustee updated the Scheme's default investment strategy to invest in developed market equities that track a Climate Transition Benchmark ('CTB') and amend the mix of fixed income holdings. As part of this project, new funds with State Street Global Advisors Limited ("SSGA") were introduced and advice on the suitability of the investment manager and funds was given by the Trustee's investment adviser.
- The Trustee engages regularly with People's Partnership. During the year under review, the Responsible Investment Team at People's Partnership have worked to develop a comprehensive Responsible Investment Policy which reflects the Trustee's stewardship priorities, as well as develop a framework for interacting with the Scheme's investment managers (more on this later). People's Partnership have worked closely with SSGA during the period to understand and provide feedback on SSGA's approach on the stewardship priorities identified in the updated Responsible Investment Policy – that is, climate, nature and human rights – and other areas. As an illustration, People's Partnership conducted a gap analysis of SSGA's voting guidelines against good practice. A meeting was organised in September 2023 between People's Partnership, its proxy voting advisor Minerva Analytics, and SSGA to discuss the findings. On balance, the feedback was well received with respect to the governance topics raised, some of which is evidenced in SSGA's 2024 proxy voting guidelines.
- The Trustee also engages regularly with their independent investment adviser, Barnett Waddingham. During the period, the Trustee has reviewed the strategic objectives for Barnett Waddingham and has reviewed their performance against these objectives.

Stewardship policy

The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's investment managers. However, the Trustee recognises the importance of engaging with its investment managers and the wider industry to ensure stewardship is carried out in line with its policies and encourages positive change in companies and across the investment industry. This is particularly important for the Scheme as one of the largest pension schemes in the UK.

The Trustee's policy on voting and engagement is set out in the Scheme's Responsible Investment ("RI") Policy, which forms part of the Statement of Investment Principles. The SIP in force during the period was approved in April 2023. The RI policy that sits alongside the SIP was updated following the year-end, in April 2024.

The new Responsible Investment Policy was developed during the year under review and the Trustee believes it reflects a significant step forward in their stewardship approach. The policy sets out minimum requirements and ongoing expectations for the Scheme's investment managers. If these minimum requirements and ongoing expectations are not met, the Trustee has warned it will put manager relationships under review, which could result in them moving to other managers.

To enable the Trustee to allocate an appropriate amount of time to assess RI issues and make high quality decisions, the fact-finding and analysis is delegated to the in-house investment team of People's Partnership and the Trustee's independent investment advisers.

Engaging with companies on issues believed to have a material impact (both positive and negative) on future returns is one of three key tools set out in the Trustee's RI policy. Further details on the Trustee's responsible investment practices are shown in the next section. The minimum requirements mentioned above include:

- Become a signatory to and remain compliant with the 2020 UK Stewardship Code or an equivalent local stewardship code applicable in their jurisdictions.
- Support the Scheme's net zero strategy through its own net zero actions. The Trustee has implemented an 'expression of wish' with its investment managers to vote in line with its net zero actions.
- Suitable commitment to the resourcing of the manager's own stewardship function above the average level of industry peers.
- Commitment to training and development of key fund management individuals on RI.

All of the Scheme's managers are signatories to the Principles for Responsible Investment ("PRI") and the 2020 UK Stewardship Code, as well as the Scheme's investment adviser.

In their RI policy, the Trustee has also established stewardship priorities, which are:

- Climate change,
- Nature,
- Human rights.

Responsible investment

- The Trustee believes that ESG factors can affect the performance of investment portfolios. The Responsible Investment Policy that sits with the SIP outlines this. The process set by the Trustee for implementing this policy includes portfolio construction, stewardship, and reporting.
- The managers' have been provided with the Trustee's Responsible Investment Policy and the expectations of how they should align with this policy.
- The Trustee regularly reviews the ESG capabilities of the managers as part of their monitoring process.
- Exclusions based on controversial weapons and severe ESG controversies are in place for the majority of the equity funds the Scheme invests in. The Trustee has a fiduciary duty to consider all material financial risks when making all investment decisions, including for both default and self-select funds.

Responsible investment (continued)

- The exclusions based on controversial weapons and severe ESG controversies are designed to reduce the risk of the portfolio being exposed to reputational and ESG risks although are not expected to have a material impact on either the risk or the return characteristics.
- Integration of ESG factors into the Scheme's strategy is primarily through the use of the Scheme's equity funds. During the year under review, the Trustee updated the Scheme's default investment strategy to invest in developed market equities that track a Climate Transition Benchmark ('CTB'). This involved moving around £15bn into climate-aware equities in calendar year Q1 2024. Investment in these funds immediately reduces carbon intensity of the Scheme's equity portfolio by 30%, with further reductions in emissions intensity of 7% each year, to be aligned with reaching net zero by 2050. This approach is expected to have a positive impact on the risk and return characteristics of the portfolio over time. As described in the SIP, the Trustee will integrate ESG factors into the Scheme where it can be satisfied it will positively affect return or reduce risk.
- The Trustee also defines responsible investment as an approach to investment that explicitly acknowledges the relevance to the investor, from both a financial and non-financial perspective. The Trustee will therefore look to make available funds to members that also take non-financial matters into consideration, such as religious and/or ethical views.

How SIP and voting and engagement/stewardship policies have been followed

The monitoring and reporting on RI is as shown below, along with the actions taken in respect of the year under review.

1. The Trustee's investment advisers produce an annual sustainability report summarising the voting and engagement activity of the investment managers based on a review of reports and other information provided by the investment managers. This includes information on voting and engagement, together with the Trustee's adviser's own ratings on voting and engagement in action, as well as scores provided by the Principles for Responsible Investment on different asset classes where available. This is to ensure that managers used by the Scheme continue to meet the Trustee's standards in this area. Where any material areas of disagreement are identified, these are highlighted to the Trustee.

The Trustee conducted a meeting with SSGA in August 2023 following a request from the Trustee to discuss a recently published Share action survey. Following this meeting, the Trustee requested and received a summary from SSGA on its plans to extend resourcing in the stewardship team, and how this would impact their stewardship capabilities.

Following this meeting, the Trustee also undertook its annual review of the stewardship and engagement activities of their investment managers via receipt and review of their investment advisers' report (issued in October 2023). The contents of the report were reviewed and discussed by the Trustee in their meeting during the last quarter of 2023.

This is an annual review, and the Trustee expects industry best practice to improve in the coming years (and this is reflected in the Trustee's expectations for their investment managers set out in the new RI policy). The Scheme's investment managers have been informed that the Trustee's new RI policy was implemented in April 2024. The Trustee will therefore assess their managers against this more detailed policy in the future.

2. Where relevant, the Trustee's investment advisers consider an investment manager's stewardship credentials when advising on investment issues.

There were no changes in investment managers the Scheme employed over the year. Managers' stewardship credentials form part of the annual sustainability review as outlined in item 1, above, and any noteworthy developments are also noted in quarterly investment monitoring reports.

How SIP and voting and engagement/stewardship policies have been followed (continued)

3. As the Trustee invests in funds alongside other investors, they recognise that their chosen managers' prioritisation of issues for engagement and voting may not be the same as their own. As far as practicable, the Trustee undertakes a formal engagement process with each manager every year to ensure that there is a good alignment of views and issues to prioritise over the coming year.

SSEA attended a meeting of the Trustee in August 2023 to provide an update on their ESG and stewardship credentials, following a Share action survey. This reflects the ongoing work by the People's Partnership in liaising with the Scheme's managers on a range of matters, including stewardship. Examples of this work have been provided earlier in this report.

The Trustees also took formal advice from their investment advisers on the appropriateness of the Scheme's current managers, which also took place during the year under review.

4. The Trustee expects investment managers to be voting and engaging on behalf of the fund's holdings and the Scheme monitors this activity within the Implementation Statement in the Scheme's Annual Report and Accounts.

The new RI Policy has strengthened its stewardship requirements of its investment managers and an assessment of how aligned its manager are to this Policy is currently being undertaken, the findings from which (and any actions taken accordingly) will be reflected in next year's implementation statement.

The Trustee reviewed the contents of this Statement prior to signing.

**Prepared by the Trustee of The People's Pension
September 2024**

Voting Data

The table below provides a summary of the voting activity undertaken by SSGA (State Street Global Advisors Limited) and HSBC over the year to 31 March 2024, together with information on any key voting priorities and information on the use of proxy voting advisers by the managers. We note that a majority of the below funds were disinvested during the year under review, and the CTB indices (as noted in the Responsible Investment section) were implemented. Given the CTB indices were invested in early 2024 and there is an overlap in holdings between the CTB indices and the funds previously held, we believe it is appropriate to provide voting data on the funds that were invested for a majority of the period.

At the present time, it is not possible to provide a breakdown of the voting statistics by ESG theme (in line with good practice stated in the statutory guidance) due to data limitations with the investment managers. This is reflective of a broader industry issue regarding how proxy voting data is publicly disclosed, which the Financial Conduct Authority (FCA) is addressing through its Vote Reporting Working Group, in which People's Partnership's Head of Responsible Investment is a participant. Improvements in this area across the industry is expected after the FCA and its working group has concluded its consultation process.

Manager	HSBC				SSGA							
Fund name	HSBC Islamic Global Equity Index Fund	SSGA World Adaptive Capping Equity Index Fund**	SSGA ACS Multi-Factor Global ESG Equity Index Fund	SSGA UK ESG Screened Equity Index Fund	SSGA North America ESG Screened Equity Index Fund	SSGA Europe ex UK ESG Screened Equity Index Fund	SSGA Japan ESG Screened Equity Index Fund	SSGA Asia Pacific ex Japan ESG Screened Equity Index Fund	SSGA Emerging Markets ESG Screened Equity Index Fund	SSGA World ESG Screened Equity Index Fund	SSGA Global Real Estate Equity Index Fund	SSGA Multi-Asset Global Infrastructure Index Fund
	Self-select (Shariah)	Growth pool	Growth pool	Growth pool	Growth pool	Growth pool	Growth pool	Growth pool	Growth pool	Self-select (Ethical)	Growth pool	Growth pool
Structure	Pooled											
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.											
Number of company meetings the manager was eligible to vote at over the year	104	1,569	284	685	643	502	509	433	4,402	1,452	275	723
Number of resolutions the manager was eligible to vote on over the year	1,702	22,269	4,333	12,193	9,156	8,941	6,096	3,349	35,882	20,491	2,984	7,434
Percentage of resolutions the manager voted on	96.0%	99.1%	90.3%	54.1%	98.4%	97.6%	100.0%	99.3%	97.0%	99.6%	89.9%	99.2%
Percentage of resolutions the manager abstained from, as a percentage of the total number of resolutions on the manager voted on over the year*	0.0%	0.3%	0.2%	0.2%	0.4%	0.4%	0.0%	0.3%	1.8%	0.3%	0.3%	2.9%
Percentage of resolutions voted with management, as a percentage of the total number of resolutions voted on*	76.0%	91.4%	90.1%	83.5%	86.9%	87.9%	92.4%	80.5%	81.9%	91.6%	89.5%	87.3%
Percentage of resolutions voted against management, as a percentage of the total number of resolutions voted on*	23.0%	8.5%	9.4%	16.5%	12.9%	11.8%	7.7%	19.6%	18.1%	8.4%	10.4%	12.7%
Percentage of resolutions voted contrary to the recommendation of the proxy adviser	0.0%	7.0%	9.0%	16.1%	12.4%	7.5%	6.5%	11.9%	5.2%	6.9%	8.7%	6.3%

* Votes of abstain can be counted both as a vote of abstain and as a vote against management in some jurisdictions. Totals may therefore add up to more than 100%. Numbers are subject to rounding.

** The SSGA World Adaptive Capping Equity Index Fund was terminated for the period ending 31 March 2024, so the data in the table covers the 12 months to 31 December 2023.

Proxy voting

One way in which the Trustee will measure the success of their stewardship programme, as outlined in the Responsible Investment Policy, is to consider indicators such as how the investment managers exercise proxy voting. The below summarises how the investment managers utilise their proxy voting services.

HSBC use the voting research and platform provider **Institutional Shareholder Services (ISS)** to assist with the global application of their own bespoke voting guidelines. HSBC review voting policy recommendations according to the scale of their overall holdings. The bulk of holdings are voted in line with ISS's recommendation based on HSBC's guidelines.

SSGA uses the proxy voting services of **ISS** to act as their proxy voting agent (providing vote execution and administration services), assisting in the application of voting guidelines, offering research and analysis, and providing proxy voting guidelines in limited circumstances. SSGA also have access to information from Glass Lewis and IVIS to complement their in-house analysis. All final voting decisions are based on SSGA's proxy voting policies and in-house operational guidelines, with any nuanced voting matters referred to and reviewed by members of SSGA's stewardship team.

The expectation is that the Scheme's investment managers will be able to provide appropriate disclosure of deviation from the proxy adviser recommendations. We note that in a majority of funds over the year to 31 March 2024, the percentage of resolutions voted contrary to the recommendation of the proxy adviser, has increased relative to the year ending 31 March 2023. The Trustee expects investment managers to provide appropriate disclosure on these deviations and will monitor this as part of their stewardship programme.

Significant votes

The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 that came into force from October 2020 require information on significant votes carried out on behalf of the Trustee over the year be set out in this statement. Updated guidance (from the DWP in June 2022)³ states that a significant vote is likely to be one that is linked to one or more of the Scheme's stewardship priorities, which are listed in the "Stewardship policy" section above.

As the Scheme invests in funds alongside other investors, the Trustee recognises that their chosen managers' prioritisation of issues for engagement and voting may not be the same as their own. In recognition of this, the Trustee has developed a decision-making framework, which allows the Scheme to further hone its stewardship approach. Specifically, where a bespoke voting policy is not possible (as the Scheme invests in funds alongside other investors), the Trustee can implement an expression of wish.

The Trustee is comfortable that the voting undertaken on their behalf was broadly reflective of their investment managers' own policies and procedures. While the Trustee did not notify their investment managers on what they consider to be the most significant votes in advance of those votes being taken, their new Responsible Investment Policy has been communicated to the investment managers as part of preparing this Statement.

In determining most significant votes to be reported in this statement, the Trustee has selected three significant votes for the HSBC fund based on themes outlined in the Stewardship policy section above and the size of the holding within each portfolio. For SSGA, the Head of Responsible Investment at People's Partnership has selected a number of votes based on themes outlined in the Stewardship policy based on priority areas as outlined in the Responsible Investment Policy, and those that represented notable investor dissent against management.

¹ <https://www.gov.uk/government/consultations/climate-and-investment-reporting-setting-expectations-and-empowering-savers/outcome/reporting-on-stewardship-and-other-topics-through-the-statement-of-investment-principles-and-the-implementation-statement-statutory-and-non-statutory>

Significant votes (continued)

HSBC, Islamic Global Equity Index Fund

	Vote 1	Vote 2	Vote 3
Company name	Apple Inc.	Visa Inc.	Novartis AG
Date of vote	28 February 2024	23 January 2024	5 March 2024
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	7.9%	1.6%	0.7%
Summary of the resolution	Shareholder resolution: Report on Median Gender/Racial Pay Gap	Advisory Vote to Ratify Named Executive Officers' Compensation	Re-elect Patrice Bula as Director
How the manager voted	For the proposal (against management recommendation)	Against the proposal (against management recommendation)	Against the proposal (against management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	No	No	No
Rationale for the voting decision	HSBC believe that the proposal would contribute to improving gender inequality.	HSBC consider the quantum of the total pay excessive and believe there is insufficient link between pay and performance.	HSBC have concerns about insufficient gender diversity of the board.
Outcome of the vote	The shareholder resolution did not pass.	The resolution passed.	The resolution passed
Implications of the outcome	HSBC will likely vote against management on a similar proposal should they see insufficient improvements.	HSBC will likely vote against a similar proposal should they see insufficient improvements.	HSBC will likely vote against a similar proposal should they see insufficient improvements.
Criteria on why the vote is considered "significant"	In providing the most significant votes, HSBC selected a range of issues that are representative of their voting guidelines. These votes have been chosen because the size of the holding in the company is significant, HSBC voted against the management and the votes provided reflect the Trustee's priorities for voting and engagement activities, as set out in the Responsible Investment Policy developed during the year.		

Significant votes (continued)

SSGA, Index equity holdings

	Vote 1	Vote 2	Vote 3
Company name	Amazon.com, Inc.	Amazon.com, Inc.	Berkshire Hathaway Inc.
Date of vote	24 May 2023	24 May 2023	6 May 2023
Summary of the resolution	Commission a Third-Party Audit on Working Conditions	Report on Impact of Climate Change Strategy Consistent with Just Transition Guidelines	Report on Physical and Transitional Climate-Related Risks and Opportunities
How the manager voted	For the proposal (against management recommendation)	Abstain on the proposal (against management recommendation)	For the proposal (against management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	SSGA does not publicly communicate their vote in advance.		
Rationale for the voting decision	This proposal merits support as the company's disclosures related to facility safety could be enhanced.	SSGA is abstaining on the proposal as the company's disclosures related to climate change are mostly aligned with SSGA's guidance but could be enhanced.	SSGA supported the proposal as the company's disclosures related to climate change could be enhanced.
Outcome of the vote	The resolution did not pass.	The resolution did not pass.	The resolution did not pass.
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.		
Criteria on why the vote is considered "significant"	The topic of the vote is linked to human rights, which the Trustee has identified as a stewardship priority.	The topic of the vote is linked to climate change, which the Trustee has identified as a stewardship priority. While the stewardship priorities were developed during the period, the Trustee provided SSGA with net zero voting guidelines and asked that SSGA implement these guidelines as an 'expression of wish'. This applies from March 2024 onwards.	

Significant votes (continued)

SSGA, Index equity holdings (continued)

	Vote 4	Vote 5	Vote 6
Company name	Berkshire Hathaway Inc.	Berkshire Hathaway Inc.	The Southern Company
Date of vote	6 May 2023	6 May 2023	24 May 2023
Summary of the resolution	Report on Audit Committee's Oversight on Climate Risks and Disclosures	Report If and How Company Will Measure, Disclose and Reduce GHG Emissions	Adopt Scope 3 GHG Emissions Reduction Targets Aligned with Paris Agreement Goal
How the manager voted	For the proposal (against management recommendation)	For the proposal (against management recommendation)	Against the proposal (in line with management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	SSGA does not publicly communicate their vote in advance.		
Rationale for the voting decision	SSGA supported the proposal as the company's disclosures related to climate change could be enhanced.	SSGA supported the proposal as the company's disclosures related to fossil fuel financing could be enhanced.	SSGA did not support the proposal as the company's disclosures related to GHG emissions mostly aligned with SSGA's guidance.
Outcome of the vote	The resolution did not pass.	The resolution did not pass.	The resolution did not pass.
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.		
Criteria on why the vote is considered "significant"	The topic of the vote is linked to climate change, which the Trustee has identified as a stewardship priority. While the stewardship priorities were developed during the period, the Trustee provided SSGA with net zero voting guidelines and asked that SSGA implement these guidelines as an 'expression of wish'. This applies from March 2024 onwards.		

Significant votes (continued)

SSGA, Index equity holdings (continued)

	Vote 7	Vote 8	Vote 9
Company name	TotalEnergies SE	Valero Energy Corporation	Amazon.com, Inc.
Date of vote	26 May 2023	9 May 2023	24 May 2023
Summary of the resolution	Align Targets for Indirect Scope 3 Emissions with the Paris Climate Agreement (Advisory)	Report on Climate Transition Plan and GHG Emissions Reduction Targets	Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining
How the manager voted	Against the proposal (in line with management recommendation)	Against the proposal (in line with management recommendation)	For the proposal (against management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	SSGA does not publicly communicate their vote in advance.		
Rationale for the voting decision	SSGA did not support the proposal as the company's disclosures related to GHG emissions mostly aligned with SSGA's guidance.	SSGA did not support the proposal as the company's disclosures related to GHG emissions mostly aligned with SSGA's guidance.	This proposal merits support as the company's disclosures related to human rights standards or policies could be enhanced
Outcome of the vote	The resolution did not pass.	The resolution did not pass.	The resolution did not pass.
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.		
Criteria on why the vote is considered "significant"	The topic of the vote is linked to climate change, which the Trustee has identified as a stewardship priority. While the stewardship priorities were developed during the period, the Trustee provided SSGA with net zero voting guidelines and asked that SSGA implement these guidelines as an 'expression of wish'. This applies from March 2024 onwards.		The topic of the vote is linked to human rights, which the Trustee has identified as a stewardship priority.

Significant votes (continued)

SSGA, Index equity holdings (continued)

	Vote 10	Vote 11	Vote 12
Company name	Amazon.com, Inc.	Amazon.com, Inc.	Amazon.com, Inc.
Date of vote	24 May 2023	24 May 2023	24 May 2023
Summary of the resolution	Commission Third Party Study and Report on Risks Associated with Use of Rekognition	Report on Climate Lobbying	Report on Climate Risk in Retirement Plan Options
How the manager voted	For the proposal (against management recommendation)	Against the proposal (in line with management recommendation)	Against the proposal (in line with management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	SSGA does not publicly communicate their vote in advance.		
Rationale for the voting decision	This proposal merits support as the company's disclosures related to human rights standards or policies could be enhanced.	SSGA did not support the proposal as the company's disclosures related to climate change lobbying are in line with market standards.	SSGA did not support the proposal as the company's disclosures related to climate change are mostly aligned with SSGA's guidance.
Outcome of the vote	The resolution did not pass.	The resolution did not pass.	The resolution did not pass.
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.		
Criteria on why the vote is considered "significant"	The topic of the vote is linked to human rights, which the Trustee has identified as a stewardship priority.	The topic of the vote is linked to climate change, which the Trustee has identified as a stewardship priority. While the stewardship priorities were developed during the period, the Trustee provided SSGA with net zero voting guidelines and asked that SSGA implement these guidelines as an 'expression of wish'. This applies from March 2024 onwards.	

Significant votes (continued)

SSGA, Index equity holdings (continued)

	Vote 13	Vote 14	Vote 15
Company name	Amazon.com, Inc.	Bank of Montreal	Citigroup Inc.
Date of vote	24 May 2023	18 April 2023	25 April 2023
Summary of the resolution	Report on Customer Due Diligence	Publish a Third-Party Racial Equity Audit	Report on Respecting Indigenous Peoples' Rights
How the manager voted	For the proposal (against management recommendation)	Against the proposal (in line with management recommendation)	Against the proposal (in line with management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	SSGA does not publicly communicate their vote in advance.		
Rationale for the voting decision	SSGA supported the shareholder proposal as the company's disclosures related to human rights risks could be enhanced.	SSGA did not support the proposal as the company's disclosures and oversight related to racial equity and/or civil rights are mostly aligned with SSGA's guidance.	SSGA did not support the proposal as the company's disclosures related to human rights standards or policies are mostly aligned with SSGA's guidance.
Outcome of the vote	The resolution did not pass.	The resolution did not pass.	The resolution did not pass.
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.		
Criteria on why the vote is considered "significant"	The topic of the votes are linked to human rights, which the Trustee has identified as a stewardship priority.		

Significant votes (continued)

SSGA, Index equity holdings (continued)

	Vote 16	Vote 17	Vote 18
Company name	Glencore Plc	JPMorgan Chase & Co.	JPMorgan Chase & Co.
Date of vote	26 May 2023	16 May 2023	16 May 2023
Summary of the resolution	Resolution in Respect of the Next Climate Action Transition Plan	Report on Climate Transition Plan Describing Efforts to Align Financing Activities with GHG Targets	Adopt Time-Bound Policy to Phase Out Underwriting and Lending for New Fossil Fuel Development
How the manager voted	For the proposal (against management recommendation)	For the proposal (against management recommendation)	Against the proposal (in line with management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	SSGA does not publicly communicate their vote in advance.		
Rationale for the voting decision	SSGA supported the proposal as the company's disclosures related to GHG emissions could be enhanced.	SSGA supported the proposal as the company's disclosures related to fossil fuel financing could be enhanced.	SSGA did not support the proposal as the company's disclosures related to fossil fuel financing are broadly in line with market standards.
Outcome of the vote	The resolution did not pass.	The resolution did not pass.	The resolution did not pass.
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.		
Criteria on why the vote is considered "significant"	The topic of the vote is linked to climate change, which the Trustee has identified as a stewardship priority. While the stewardship priorities were developed during the period, the Trustee provided SSGA with net zero voting guidelines and asked that SSGA implement these guidelines as an 'expression of wish'. This applies from March 2024 onwards.		

Significant votes (continued)

SSGA, Index equity holdings (continued)

	Vote 19	Vote 20	Vote 21
Company name	JPMorgan Chase & Co.	Royal Bank of Canada	The Bank of Nova Scotia
Date of vote	16 May 2023	5 April 2023	4 April 2023
Summary of the resolution	Disclose 2030 Absolute GHG Reduction Targets Associated with Lending and Underwriting	Publish a Third-Party Racial Equity Audit	Report on Client Net-Zero Transition Plans in Relation to Bank's 2030 Emissions Reduction and Net-Zero Goals
How the manager voted	Against the proposal (in line with management recommendation)	Against the proposal (in line with management recommendation)	Against the proposal (in line with management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	SSGA does not publicly communicate their vote in advance.		
Rationale for the voting decision	SSGA did not support the proposal as the company's disclosures related to fossil fuel financing are broadly in line with market standards.	SSGA did not support the proposal as the company's disclosures and oversight related to racial equity and/or civil rights are mostly aligned with SSGA's guidance.	SSGA did not support the proposal as the company's disclosures related to GHG emissions are mostly aligned with SSGA's guidance.
Outcome of the vote	The resolution did not pass.	The resolution did not pass.	The resolution did not pass.
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.		
Criteria on why the vote is considered "significant"	The topic of the vote is linked to climate change, which the Trustee has identified as a stewardship priority. The Trustee has provided SSGA with net zero voting guidelines and asked that SSGA implement these guidelines as an 'expression of wish'. This applies from March 2024 onwards.	The topic of the vote is linked to human rights, which the Trustee has identified as a stewardship priority.	The topic of the vote is linked to climate change, which the Trustee has identified as a stewardship priority. The Trustee has provided SSGA with net zero voting guidelines and asked that SSGA implement these guidelines as an 'expression of wish'. This applies from March 2024 onwards.

Significant votes (continued)

SSGA, Index equity holdings (continued)

	Vote 22	Vote 23
Company name	The Goldman Sachs Group, Inc.	Wells Fargo & Company
Date of vote	26 April 2023	25 April 2023
Summary of the resolution	Report on Climate Transition Plan Describing Efforts to Align Financing Activities with GHG Targets	Report on Prevention of Workplace Harassment and Discrimination
How the manager voted	For the proposal (against management recommendation)	Abstain on the proposal (against management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	SSGA does not publicly communicate their vote in advance.	
Rationale for the voting decision	SSGA supported the proposal as the company's disclosures related to fossil fuel financing could be enhanced.	SSGA is abstaining on the proposal as the company's disclosures pertaining to the item are broadly in line with market standard but could be enhanced.
Outcome of the vote	The resolution did not pass.	The resolution passed.
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.	
Criteria on why the vote is considered "significant"	The topic of the vote is linked to climate change, which the Trustee has identified as a stewardship priority. The Trustee has provided SSGA with net zero voting guidelines and asked that SSGA implement these guidelines as an 'expression of wish'. This applies from March 2024 onwards.	The topic of the vote is linked to human rights, which the Trustee has identified as a stewardship priority.

Fund level engagement

The investment managers may engage with investee companies on behalf of the Trustee. The table below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds over the year to 31 March 2024. We note that a majority of the below funds were disinvested during the year under review, and the CTB indices (as noted in the Responsible Investment section) were implemented. Given the CTB indices were invested in early 2024 and there is an overlap in holdings between the CTB indices and the funds previously held, we believe it is appropriate to provide voting data on the funds that were invested for a majority of the period.

SSGA carry out engagement activities at a firm-wide level, but they have been able to provide information on their engagements for some funds at a fund level. This follows Trustee feedback where previously SSGA could only provide engagement data at a firm-wide level.

Manager	HSBC			SSGA								
Fund name	HSBC Islamic Global Equity Index Fund	SSGA World Adaptive Capping Equity Index Fund*	SSG A ACS Multi-Factor Global ESG Equity Index Fund	SSGA UK ESG Screened Equity Index Fund	SSGA North America ESG Screened Equity Index Fund	SSGA Europe ex UK ESG Screened Equity Index Fund	SSGA Japan ESG Screened Equity Index Fund	SSGA Asia Pacific ex Japan ESG Screened Equity Index Fund	SSGA Emerging Markets ESG Screened Equity Index Fund	SSGA World ESG Screened Equity Index Fund	SSGA Global Real Estate Equity Index Fund	SSGA Multi-Asset Global Infrastructure Index Fund
	Self-select (Shariah)	Growth pool	Growth pool	Growth pool	Growth pool	Growth pool	Growth pool	Growth pool	Growth pool	Self-select (Ethical)	Growth pool	Growth pool
Does the manager perform engagement on behalf of the holdings of the fund?						Yes						
Has the manager engaged with companies to influence them in relation to ESG factors in the year?						Yes						
Number of engagements undertaken on behalf of the holdings in this fund in the year	63	571	107	65	299	146	24	39	7	576	38	64
Number of entities engaged on behalf of the holdings in this fund in the year	34	419	88	50	223	115	19	35	7	438	32	50
Number of engagements undertaken at a firm level in the year	2,070						948					

*The SSGA World Adaptive Capping Equity Index Fund was terminated for the period ending 31 March 2024, so the data in the table covers the 12 months to 31 December 2023.

Fund level engagement (continued)

Examples of engagement activity undertaken over the year to 31 March 2024

HSBC

US Ecommerce Large Cap – Working conditions and environmental concerns

HSBC have been engaging with a large information technology company. HSBC have throughout the year had concerns about ongoing reported incidents around human rights violations, and have therefore engaged with the Investor Relations ('IR') representative of the company numerous times over the past couple of years, so as to continue to share their views on what they believe to be important issues, and to learn about updates from the company. HSBC have raised these issues AGM matters with the company to share their views. As part of a collaborative initiative, HSBC wrote to the company requesting additional reporting on key environmental areas such as water.

Outcome:

The company puts out examples of progress around climate every year.

The company continues to address e-waste, by promoting trade in opportunities, options to repair, building products for longevity as examples. They continue to work on solutions for this challenging area.

The company continues to investigate allegations of human rights violations when they arise and assess their auditing of supply chains and transparency around that. They have also conducted independent unannounced audits and assessments as part of a scaled-up programme.

HSBC believe that the company must enhance their transparency in reporting and during engagements and will continue to push on these and other issues.

HSBC will continue to vote at AGMs in accordance with their principles on respective issues.

Global Consumer Goods Leader - Biodiversity, Inclusive Growth

As investors HSBC have some concerns that the company is not improving quickly enough on risks and opportunities presented by issues such as regenerative agriculture, water efficiency, sustainable packaging, positive nutrition, and workforce development. In the long-term HSBC believe these issues could impede the company's continued success through reducing growth possibility, and increasing reputational risks that may damage brand value.

Over the past 3-4 years HSBC have met the company 1-1 on several occasions to raise their points. They have also had separate meetings with the company's small and medium-sized enterprises (SME's) in agriculture, nutrition and public policy to more deeply understand the issues and encourage progress. HSBC have learned that the company does have expertise in regenerative agriculture and ambitious targets to be impactful at the farmer level but point to peers where the progress towards the regenerative acres farmed goals is clearer, and the definitions of what constitutes a RA acre are more specific. HSBC communicated that more specific interim goals and a framework for how the company considers regenerative acres would be very helpful for investors.

HSBC have used their voting capital to support initiatives calling for the company to do more on environmental topics. HSBC have communicated voting decisions to the company ahead of the AGM's.

Outcome:

HSBC have been pleased to see the company contribute to an industry wide initiative on regenerative agriculture which goes some way to addressing their ask for them to tighten their regenerative agriculture framework gaps. The company's current regeneratively farmed acreage target is stretching but HSBC especially need to see how they will get to it, through interim targets.

In Q4 2023 the company launched upgraded nutrition targets, seeking to add diverse ingredients to 140 billion portions of its product servings by 2030. The focus will be on adding legumes, nuts, seeds, and wholegrains to the company's leading brands, as well as using technology and M&A to develop new consumer accepted brands. HSBC consider this a very positive step as the company had not appeared willing to set a positive nutrition target in the past.

HSBC have recently communicated their support for the company's work on the initiatives but will also follow up on progress on the other topics ahead of the next AGM.

Fund level engagement (continued)

Examples of engagement activity undertaken over the year to 31 March 2024

Global Healthcare Science Services Leader – Human Rights

The company's equipment for scientific research has many noble use cases. However, there are risks that some products could be used for activities that are not considered ethical. For example there have been allegations that company genetic sequencing equipment has been used to create DNA profiling for minority populations in some countries, potentially risking human rights.

HSBC believe further such controversies could lead to reputational risks for the company, which could lead to product boycotts, lower sales, and potentially a lower valuation.

HSBC met IR, Legal, and Corporate Social Responsibility (CSR) teams to discuss the issue. HSBC stated their concerns about impact on communities from rogue customer actions, and potential reputational and financial risks to the company.

HSBC wrote to the lead independent director asking for the company to report on respecting human rights.

HSBC met with the lead board director in June 2023 to discuss board oversight of human rights risks and links to product misuse. HSBC pressed the director on how the board gains insight into key topics like human rights risk, and how the company structures will evolve to manage emerging product misuse challenges.

HSBC fed back to the company via its consultant-led investor perception study, emphasising their asks, and providing feedback from their credit investment teams.

Outcome: The company has significantly expanded its reporting on respecting human rights in the new 2023 CSR Report. There is a page devoted to the topic with links to how challenges across the supply chain, distribution network, and employee base, can be managed. HSBC have communicated their satisfaction with the change to the company.

HSBC will continue to monitor the company's performance on human rights issues and engage if the now disclosed systems do not appear to be performing.

SSGA

Applied Materials, Inc. - Climate Risk Management – Climate Transition Plan Disclosure

SSGA engaged Applied Materials, Inc. in 2022 and 2023 to better understand the company's approach to managing relevant risks and opportunities related to several environmental topics including climate, water management, waste management, and materials sourcing. SSGA discussed the company's progress on enhancing disclosure in line with the TCFD and its ongoing efforts to develop its climate transition plan, which was published in 2023.

During their engagements, SSGA gained insight on Applied Materials' approach to climate-related target setting and efforts related to energy management, customer and supply chain engagement, and innovation in product efficiency. They discussed the company's progress on quantifying its Scope 3 emissions inventory and the challenges and opportunities with reducing energy consumption for semiconductor products. SSGA shared feedback and opportunities to enhance disclosure in line with their guidance, including disclosure about the company's decarbonization strategy to achieve its stated climate-related targets.

Outcome: In 2023, Applied Materials, Inc. updated its climate-related targets and enhanced disclosure on its strategy to achieve these goals. This includes a roadmap outlining the main levers the company is pursuing toward its targets and the estimated contribution of each lever toward overall emissions reductions. The company also received validation for its science-based 2030 Scope 1, 2, and 3 emissions targets and disclosed progress on supply chain emissions management, product efficiency, and other efforts.

Fund level engagement (continued)

Examples of engagement activity undertaken over the year to 31 March 2024

Rio Tinto Plc - Diversity, Equity, and Inclusion

In March 2021 SSGA introduced a proxy voting Policy where they may vote against the chair of the nominating and governance committee at companies in the S&P 500 and FTSE 100 that do not disclose, at minimum, the gender, racial, and ethnic composition of their boards. Prior to voting at Rio Tinto Plc's 2022 AGM, SSGA determined that the company — which is a FTSE 100 constituent — did not disclose the gender, racial, and ethnic composition of its board. As a result, SSGA voted against the chair of the nominating and governance committee at Rio Tinto.

SSGA engaged with members of management to communicate their disclosure expectations. During the engagement, the company committed to updating related disclosures in its annual report for 2022 and subsequently confirmed this change to SSGA in a written response. Due to the company's verbal and written commitments to provide enhanced board composition disclosure, SSGA waived their policy to vote against the re-election of the chair of Rio Tinto's nominating committee at the 2022 AGM.

Outcome: Leading up to the company's 2023 annual meeting, SSGA reviewed relevant materials, including the annual report for 2022. During their review, they confirmed that the company was responsive to their requests and enhanced their disclosure. As a result, SSGA continued to support the chair of the nominating committee at the 2023 AGM.

Cboe Global Markets, Inc. - Sustainability-Related Disclosure Practices

Since 2019, SSGA have annually identified portfolio companies that they believe could strengthen their sustainability-related disclosure practices relative to their disclosure expectations.

In February 2023, SSGA reached out to over 40 of their portfolio companies globally – including Cboe Global Markets, Inc. (Cboe) – to understand their perspectives and to learn if they have plans to elevate their disclosure practices moving forward.


SSGA's outreach resulted in an engagement with several members of Cboe's leadership team who have direct oversight of the risk and sustainability-related disclosure functions. In their discussion, SSGA learned about Cboe's process over the prior year to create and monitor enterprise-level risk factors which cover financially material ESG-related issues, as reflected in the ESG Materiality Matrix in the company's 2022 ESG Report.

Additionally, Cboe outlined its continued ambitions to disclose its climate-related emissions profile in a TCFD-aligned format, including its Scope 1 and Scope 2 emissions. SSGA also learned of the board's role in overseeing these disclosure exercises and ensuring that financially material findings are addressed by management.

Outcome: Due to Cboe's commitment and demonstrated progress towards elevated disclosure practices and their ongoing engagement, SSGA supported the company's senior independent board leader at the 2023 AGM.



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