EA Technology Group of the ESPS
Engagement Policy Implementation Statement
31 March 2024

1. Introduction

Under the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019, the Trustee is required to produce an annual Engagement Policy Implementation Statement ("EPIS"). This statement outlines how, and the extent to which, the policies relating to stewardship, voting and engagement as outlined in the Statement of Investment Principles ("SIP") have been followed.

This statement covers the Group's accounting year to 31 March 2024. It is intended to meet the updated regulations and will be included in the Group's Annual Report & Financial Statements. In preparing this statement, the Trustee has taken advice from their professional advisers.

This statement details some of the activities taken by the Trustee, the Manager and the investment managers during the period, including voting statistics, and provides the Trustee's opinion on the stewardship activities over the period.

2. Policies

The Trustee's relevant policies regarding stewardship, voting and engagement are outlined in the SIP. The most recent version of the SIP is publicly available being published online and will be updated from time-to-time.

The Trustee has appointed BlackRock as the adviser and Fiduciary Manager ("the Manager") for the Group. The Trustee delegates the day-to-day investment decisions and asset allocation to the Manager. The Trustee retains responsibility for the strategic investment objective and oversight of the Manager.

During the year to 31 March 2024, the Trustees did not update the SIP and therefore the policies contained in the February 2022 SIP are those which are relevant to this Statement, which can be accessed online. At the time of publishing this EPIS, the Trustee is in the process of updating the SIP.

The Trustee notes the "Guidance issued by the DWP relating to Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement" in July 2022. Going forwards, the Trustee plans to develop its policies and build more elements of this guidance into future iterations of this statement.

3. Scope of this statement

The Trustee acknowledges that the extent to which the policies in relation to stewardship, voting and engagement can be applied varies across the portfolio. For example, in general, voting rights are not attached to fixed income securities, and the applicability to the LDI (liability-driven investment) portfolio is limited. Nonetheless, the Trustee and the Manager expect all investment managers to take an active role in the stewardship of investments where relevant. The Group's de-risked the portfolio in Q3 2023 which involved selling the liquid asset allocation in favour of matching assets. The Group's portfolio now consists of only matching assets and alternative assets. The voting statistics in this EPIS are in relation to the equity holdings during the year which have since been fully sold.

4. Group activity

The SIP includes the Trustee's policy on Environmental, Social and Governance ("ESG") factors and stewardship. This policy sets out the Trustee's beliefs on ESG and the processes followed by the Trustee in relation to voting rights and stewardship.

The Trustee recognises that the Manager is engaging with the underlying managers to ensure they work to further improve their ESG policies and actions over time. As part of the Trustee's ESG policy, the Manager is required to request the underlying managers' policies and their adherence to them. The Manager reviews the policies of each underlying manager to ensure that these are appropriate.

The Trustee expects the Manager to continue to work with underlying managers in order to ensure those on the weaker side of voting and engagement take action to make improvements. The Manager has acknowledged that all managers have been taking steps to improve both their voting and engagement and "best in class" continues to evolve. The Trustee will be closely monitoring developments over the coming years.

5. Voting and Engagement

The Trustee has delegated to the Manager the responsibility of collecting the stewardship and engagement reports of the underlying managers and assessing the suitability. The Trustee also expects the Manager to monitor the underlying manager's activity to ensure compliance and confirm that it remains a suitable investment for the Group. The Trustee is comfortable that under the governance structure the responsibility sits with the Manager to communicate with the underlying managers and on a regular basis collect information as required.

The Manager has noted that there is variability between managers in the extent of their engagement and voting policies, with equity managers generally having made more progress than fixed income. This Implementation Statement focuses on the Group's equity managers during the year.

The section below details the investment managers' approach to voting and engagement, as well as some examples of significant engagements these managers have made over the 12 months in respect to the funds in which the Group is invested.

In addition, summary voting statistics in respect of the Group's equities funds over the year to 31 March 2024 have been included. Voting statistics have been reported over the one-year period to 31 March as this likely to result in greater coverage across investment managers.

BlackRock:

The Group has a portion of its Growth assets invested in funds managed by the Manager. Given the Manager's appointment as both the fiduciary manager, as well one of the investment managers, the Trustee recognises the importance of ensuring that the Manager's own policies and actions are appropriate for the Group. The Manager publicises its own policies as well as quarterly updates online (which can be accessed here), which the Trustee has visibility of. This includes details of any changes to policies and also reports at an aggregate level the impact of its voting and engagement. The Trustee is comfortable that the transparency of the Manager in publicising reports and developments online ensures alignment with the interests of the Group.

Whilst it is important to monitor the activities of the Manager at a high level through this publicly available information, it is also important to monitor the voting and engagement activities undertaken on behalf of the Trustee by the Manager on a more granular level.

With the exception of the BlackRock European Equities fund, the Group's BlackRock equities funds over the year were passive (i.e. index) strategies. In respect of passive strategies, there is a wide universe of underlying companies which may number in the hundreds if not thousands. Where strategies are actively managed, investments are typically more concentrated. As such, ownership is more concentrated for actively managed strategies and therefore there will be fewer resolutions in which to vote. In addition, actively managed strategies have the option to sell holdings in companies at its discretion. For these reasons, in the context of passive strategies, it is important that voting and engagement rights are exercised and that this is monitored. Examples of significant votes across the BlackRock strategies are included below. The summary voting statistics below illustrate that the voting rights attached to the underlying investments in these instances have been exercised to a large extent.

The Manager's approach to voting is described in the table below, along with summary voting statistics for the Manager's equities funds over the year. These funds were sold in Q3 2023.

Approach to voting	BlackRock sees its investment stewardship program, including proxy voting, as part of its fiduciary duty and to enhance the value of clients' assets, using our voice as a shareholder on their behalf to ensure that companies are well led and well managed. The BlackRock Investment Stewardship team does this through engagement with management teams and/or board members on material business issues including environmental, social, and governance matters and, for those clients who have given BlackRock authority, through voting proxies in the best long-term economic interests of its clients. BlackRock's proxy voting process is led by the BlackRock Investment Stewardship team ("BIS"), which consists of three regional teams – Americas ("AMRS"), Asia-Pacific ("APAC"), and Europe, Middle East and Africa ("EMEA") - located in seven offices around the world. The analysts within each team will generally determine how to vote at the meetings of the companies they cover. Voting decisions are made by members of the BlackRock Investment Stewardship team with input from investment colleagues as required, in each case, in accordance with BlackRock's Global Principles and custom market-specific voting guidelines. Whilst BlackRock subscribes to research from the proxy advisory firms Institutional Shareholder Services ("ISS") and Glass Lewis, it is just one among many inputs into its vote analysis process, and it does not blindly follow their recommendations on how to vote. BlackRock does not follow any single proxy research firm's voting recommendations. It subscribes to two research providers and uses several other inputs in its voting and engagement analysis, including a company's own disclosures, public information and ESG research.

	BlackRock uses Institutional Shareholder Services' ("ISS") electronic platform to execute vote instructions, manage client accounts in relation to voting and facilitate client reporting on voting. In certain markets, BlackRock works with proxy research firms who apply our proxy voting guidelines to filter out routine or non-contentious proposals and refer to us any meetings where additional research and possibly engagement might be required to inform our voting decision.
YUM! Brands, Inc. (Yum!) (US restaurant company	YUM! Brands, Inc. (Yum!) is a restaurant company that owns and operates the KFC, Pizza Hut, Taco Bell, and The Habit Burger Grill restaurant franchises. At the May 2023 AGM there were five shareholder proposals. Ahead of the May 2023 AGM, BIS engaged with members of Yum!'s management team to help inform their voting and sought to further their understanding of the matters on which shareholders requested additional disclosure and assess the business relevance and financial implications of each proposal. BIS did not believe it was in the financial interests of our clients to support these shareholder proposals and as such BIS voted against all 5 of the shareholder proposals, which was in line with management's recommendation. Of the 5 shareholder proposals, 2 of these were withdrawn and the remaining 3 were not passed. One shareholder proposal addressed the company's plans to reduce single-use plastic packaging. This shareholder proposal requested that Yum!'s board issue a report "…describing how the Company will reduce its plastics use by shifting away from single-use packaging…" in response to recent regulatory trends in certain jurisdictions which have levied taxes on and/or banned the use of single-use plastic products. The proposal further clarified that such a report should explicitly "evaluate dramatically reducing the amount of plastic" used in the company's packaging. BIS did not support this proposal, which requested Yum! to issue a report detailing the company's efforts to reduce plastics use. In their analysis, Yum!'s existing disclosures on plastics use – particularly their new packaging policy and reduction goals – are comprehensive and provide sufficient information to allow investors to understand the company's approach to managing the risks of plastics use. In July 2022, Yum! updated their sustainable packaging policy, outlining the actions they have taken and those that they plan to take to address the issue of plastic-based packaging. Among other things, the company set goals to eliminate unnecessary plastics use, reduce virgin plastic content by 10%, and move consumer-facing plastic packaging to be reusable, recyclable, or compostable by 2025 across all brands. BIS notes that there are areas where, in their assessment, Yum! could improve their disclosure, particularly in setting targets for reusable packaging. However, Yum!'s existing disclosures and commitments are sufficiently comprehensive for investors to understand their approach. BIS did not consider it necessary for shareholders to direct management to undertake a review of Yum!'s sustainable packaging policy and targets less than a year after these were introduced as they believed it was not in the financial interest of their clients to support the shareholder proposal.

BE Semiconductor Industries N.V (Besi) (Dutch manufacturer)	Besi is a Dutch multinational company that designs and manufacturers semiconductor equipment. BIS has regularly engaged with Besi due to poor remuneration practices. At Besi's 2020, 2021, and 2022 annual general meetings (AGMs), BIS did not support the company's remuneration policy or remuneration report. This is because in BIS' assessment, the remuneration practices led to excessive payouts. At Besi's 2023 AGM, BIS did not support the 2022 remuneration report given they continue to observe areas for improvement. For example, the metrics introduced were not challenging – the long-term incentive plan still vests for underperformance against peers on a total shareholder return basis. BIS also noted that the company used the same metrics in both the short- and long-term incentive plans, resulting in the rewarding of executives for the same performance twice. However, contrary to the past years, at the 2023 AGM, BIS voted in favour of the 2024 remuneration policy. BIS note that Besi eliminated the ability of the remuneration committee to use discretion, introduced more stretching performance conditions, and limited the award potential to a percentage base salary to reduce the likelihood of excessive payouts. Furthermore, the company introduced share ownership guidelines for executives to reinforce their alignment with shareholders' interests and established a more robust peer company selection process. Overall, BIS are highly encouraged by the company's responsiveness to shareholder feedback and supported the 2024 remuneration policy proposal.

		Year to 31 March 2024
BlackRock Europe Equities (Active)	Votable proposals	843
	% of resolutions voted	82%
	% of resolutions voted against management	6%
	% of resolutions abstained	1%

		Year to 31 March 2024
BlackRock US Equities (Index)	Votable proposals	7,467
	% of resolutions voted	100%
	% of resolutions voted against management	2%
	% of resolutions abstained	0%

BlackRock UK Equities (Index)		**Year to 31 March 2024**
	Votable proposals	14,770
	% of resolutions voted	96%
	% of resolutions voted against management	3%
	% of resolutions abstained	1%

BlackRock Asia Pacific Equities (Index)		**Year to 31 March 2024**
	Votable proposals	3,119
	% of resolutions voted	100%
	% of resolutions voted against management	10%
	% of resolutions abstained	0%

BlackRock Japan Equities (Index)		**Year to 31 March 2024**
	Votable proposals	6,075
	% of resolutions voted	100%
	% of resolutions voted against management	4%
	% of resolutions abstained	0%

iShares S&P 500 ETF		**Year to 31 March 2024**
	Votable proposals	7,217
	% of resolutions voted	100%
	% of resolutions voted against management	1%
	% of resolutions abstained	0%

iShares Edge MSCI USA Value Factor ETF		**Year to 31 March 2024**
	Votable proposals	2,078
	% of resolutions voted	100%
	% of resolutions voted against management	1%

	% of resolutions abstained	0%

Other investment managers

The approach to voting and engagement of the Group's other equities managers over the year, Schroders, American Century, Wellington and JP Morgan, are detailed below. These funds were sold in Q3 2023.

Schroders:

Approach	The overriding principle governing Schroders' approach to voting is to act in the best interests of its clients. Schroders' voting policy and guidelines are outlined in its publicly available Environmental, Social and Governance Policy. Schroders evaluates voting issues arising and, where it has the authority to do so, votes on them in line with its fiduciary responsibilities in what it deems to be the interests of its clients. In applying the policy, Schroders considers a range of factors, including the circumstances of each company, performance, governance, strategy, and personnel. It is Schroders' policy to vote all shares at all meetings globally, except where there are onerous restrictions – for example, share blocking. Schroders utilises the services of ISS and the Investment Association's Institutional Voting Information Services ('IVIS') in conjunction with its own research and policies when formulating voting decisions. With regards to abstaining from votes, Schroders' preference is to support or oppose management and only use an abstention sparingly. Schroders may abstain where mitigating circumstances apply, for example where a company has taken some steps to address shareholder issues. For certain holdings of less than 0.5% of share capital in the USA, Australia, New Zealand, Japan, and Hong Kong, Schroders has implemented a custom policy that reflects the views of its ESG policy and is administered by Schroders' proxy voting provider, ISS. Schroders votes on both shareholder and management resolutions.
Terna Energy (Greek renewable energy company)	Terna Energy is a Greek renewable energy company that plays a leading role in clean energy production while carrying out innovative projects for the environment, which contribute to sustainable development. Throughout 2023, the Schroders investment team engaged with Terna Energy on the follow issues: • Supply chain management – how much ESG focus is given to their suppliers?

• Biodiversity management – how does Terna ensure that environmental risks and depletion are managed across operations?

In terms of the supply chain management, Terna adopted a procurement policy in 2022 and suppliers/partners are selected in line with these policy provisions. Terna have been applying the Code of Ethics, GDPR, human rights and purchasing policies to suppliers and as such, suppliers must provide policy statements regarding forced labour and evidence of control and monitoring facilities. Terna has the right to conduct inspections on suppliers and can terminate contracts should a supplier fail to abide by their principles and values.

On biodiversity management, Terna is in full compliance with legislation and environmental requirements, whilst climate risks are formulated into the company's strategy. The following impact management initiatives are applied: investigation of project areas and whether they are governed by specific regulatory restrictions (including protected areas); preparation of environmental impact studies and implementation of an environmental management system; and installations of bird protection systems, approved by the environmental terms. For every project that is completed within forest areas, reforestation is performed equal to the project size.

		Year to 31 March 2024
Schroders EM Equities	Votable proposals	2,085
	% of resolutions voted	95%
	% of resolutions voted against management	8%
	% of resolutions abstained	5%

American Century:

Approach	American Century's (ACI) Guiding ESG Principle are outlined in its ESG Policy and are as follows: ACI's primary mission is to deliver superior, long-term, risk-adjusted returns for clients. ACI focuses on material ESG issues, which are financially material. ACI seeks to integrate the analysis of potential risks and opportunities associated with ESG issues into its fundamental research process. ACI's goal is to mitigate downside risks and capture upside potential without compromising its fiduciary duty to act in the best interest of clients. ACI states that "in addition to conducting business with the highest ethical standards and complying with all applicable laws and regulations, our ESG approach is regularly reviewed against industry investment stewardship and governance standards and other ESG methodologies to ensure alignment with our processes."

American Century subscribes to the proxy voting services of Institutional Shareholder Services ("ISS"), including their proxy voting platform, voting advisory services, and vote disclosure services. While American Century reviews and considers ISS's research, analysis, and recommendations, it votes proxy using the ISS voting platform in accordance with the ACI's proxy voting policies, which can differ from those of ISS.

American Century:

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ACI states that "in addition to conducting business with the highest ethical standards and complying with all applicable laws and regulations, our ESG approach is regularly reviewed against industry investment stewardship and governance standards and other ESG methodologies to ensure alignment with our processes."

American Century subscribes to the proxy voting services of Institutional Shareholder Services ("ISS"), including their proxy voting platform, voting advisory services, and vote disclosure services. While American Century reviews and considers ISS's research, analysis, and recommendations, it votes proxy using the ISS voting platform in accordance with the ACI's proxy voting policies, which can differ from those of ISS.

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Wellington:

Approach	Wellington votes according to its Global Proxy Voting Guidelines and employs a third-party vendor, Glass Lewis, to perform administrative tasks related to proxy voting. Wellington does not automatically vote proxies either with management or in accordance with the recommendations of third-party proxy providers, ISS and Glass Lewis. Wellington has its own ESG Research Team, which provides voting recommendations. Based on these resources and in conjunction with Wellington's Global Proxy Voting Guidelines, individual portfolio managers have authority to make final decisions on voting. There is no "house vote". Wellington's proxy voting system allows different votes to be submitted for the same security. Various portfolio managers holding the same securities may arrive at different voting conclusions for their clients' proxies.
NCsoft Corporation (South Korean video game developer)	NCsoft Corporation develops and publishes online games worldwide. The company is also involved in call centre management, professional baseball, and media content creation. The company's Financial Statements and allocation of profits/dividends were up for a vote at the annual general meeting in 2023. Korean regulation does not require audited Financial Statements to be published in a meeting notice nor in the meeting circular. Therefore, unless the company discloses its auditor's report around the announcement of the annual general meeting, it is difficult for shareholders to determine whether they received audited Financial Statements in the meeting circulars. An auditor's opinion is crucial to provide independent examination and verification of a company's Financial Statements and therefore understand the true financial condition and associated risk of a company. Because at the time of the vote, Wellington could not verify the auditor's opinion of the company's Financial Statements. Wellington therefore chose to vote against the vote.

Wellington Small Cap Equities

	Year to 31 March 2024
Votable proposals	1,415
% of resolutions voted	97%
% of resolutions voted against management	6%
% of resolutions abstained	0%

JP Morgan:

Approach	JP Morgan has an explicitly stated investment stewardship philosophy, believing that the companies they engage with will produce better long-term financial results, while simultaneously contributing to an improved society. JP Morgan's stewardship activities are

	based on proprietary environmental, social and governance research, driven by both their broad investment teams in addition to a dedicated Sustainable Investing team. JP Morgan subscribes to research from the proxy advisory firms Institutional Shareholder Services (ISS), GES International (Sustainalytics) and Glass Lewis. JP Morgan's Sustainable Investing Oversight Committee is made up of chief investment officers and leaders from its sustainable investing and control functions, and serves as a single point of strategic oversight, decision-making, review and assurance. The business employs regional heads of stewardship to work with local teams, while the Global Head of Sustainable Investing, Jennifer Wu, oversees the global stewardship effort. With regards to engagement, JP Morgan conducts approximately 500 dedicated ESG engagement meetings per year.
China Merchants Bank Co., Ltd (Chinese Bank)	China Merchants Bank operates as a commercial bank in China. JP Morgan believe that a strong independent element to a board is essential to the effective running of a company and they expect that majority of the board should be comprised of independent directors with clear steps being taken to improve board independence over time. At the same time, non-executive directors should have sufficient time to meet their board responsibilities. In order to be able to devote sufficient time to his or her duties, JP Morgan would not normally expect a non-executive to hold more than three significant directorships at any one time. In June 2023, there was a vote to elect a director. The director candidate is a newly proposed non-independent non-executive director who serves five public boards currently, and the company's board independence is at 38%, below JP Morgan's expectation of at least majority independence. As such, JP Morgan voted against his election.

		Year to 31 March 2024
JPM China Equities	Votable proposals	567
	% of resolutions voted	100%
	% of resolutions voted against management	11%
	% of resolutions abstained	0%

Concluding remarks

The Trustee is comfortable that the policies in the SIP have been followed over the year to 31 March 2024. The Trustee expects that the format and content of this statement will continue to evolve over time, in line with guidance and to reflect any future changes in the SIP.

The Trustee recognises the responsibility that institutional investors have or promote high standards of investment stewardship and will continue to use the influence associated with the Group's assets in order to positively influence the Group's investment managers.

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