

HCA International Limited Staff Retirement Benefits Scheme

SIP Implementation Statement
for year ended 31 March 2025



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Section 1

Introduction

This statement sets out how, and the extent to which, the Statement of Investment Principles (“SIP”) produced by the Trustee has been followed during the year running from 1 April 2024 to 31 March 2025 (the “Scheme year”). This statement has been produced in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018, the subsequent amendment in The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the statutory guidance on reporting on stewardship in the implementation statement dated 17 June 2022.

The statement is based on, and should be read in conjunction with, the relevant version of the SIP that was in place for the Scheme year, dated October 2023.

Section 2.1 of this statement sets out the investment objectives of the Scheme and section 2.2 confirms that no changes were made to the SIP during the Scheme Year.

Section 2.3 of this statement sets out how, and the extent to which, the policies in the SIP have been followed. **The Trustee can confirm that, in its view, all policies in the SIP have been followed during the Scheme Year.**

A copy of the SIP is available at <https://vfm.aviva.co.uk/hca-international/>.

Sections 4 includes information on the engagement and key voting activities of the underlying investment managers within the Scheme.

Section 2

Statement of Investment Principles

2.1 - Investment Objectives of the Scheme

The Trustee believes it is important to consider the policies in place in the context of the objectives they have set.

The Trustee's principal mission is to help members to maximise their retirement outcomes with an appropriate level of investment risk, by providing an appropriate investment framework which represents value for members, and which is in line with recognised market "good practice", taking into account guidance from the Pensions Regulator and other appropriate industry and regulatory bodies. In addition to the principal mission as stated above and the investment objectives below, the Trustee also aims to:

- To make available a range of investment funds that should enable members to tailor their own investment strategy to meet their own individual needs.
- Offer funds which facilitate diversification and long-term capital growth.
- Offer funds that enable members to reduce risk in their investments as they approach retirement.
- To restrict the number of funds to avoid unnecessarily complicating members' investment decisions.

The Trustee has the following investment objectives related to the default investment option:

- To generate returns in excess of inflation during the "growth" phase of the strategy.
- To provide a strategy that reduces investment risk for members as they approach retirement.
- To offer to members assets at retirement that are broadly appropriate for an individual to take their whole fund as cash.

2.2 - Review of the SIP

During the year, the Trustee did not carry out any actions that necessitated a review of the Scheme's SIP.

2.3 - Assessment of how the policies in the SIP have been followed for the Scheme Year

The information provided in this section highlights the work undertaken by the Trustee during the Scheme Year where relevant. It sets out how this work followed the Trustee's policies in the SIP relating to the Scheme.

In summary, it is the Trustee's view that the policies in the SIP have been followed during the Scheme Year.

Investment Mandates

Securing compliance with the legal requirements about choosing investments

Policy

As required by legislation, the Trustee consults a suitably qualified person when making investment selections by obtaining written advice from its Investment Consultant. The policy is detailed in Section 4 (Investment Policy) of the SIP.



How has this policy been met over the Scheme Year?

As a reminder, The Trustee invests in Mercer funds via the Mercer Workplace Savings (“MWS”) platform. Through MWS, the Trustee benefits from Mercer’s investment governance capabilities and has access to Mercer SmartPath, which is the Scheme’s default investment strategy.

Although the Trustee did not initiate any investment changes over the Scheme year, following the last MWS annual review of the SmartPath default investment strategy, MWS proposed making some changes to SmartPath which the Trustee agreed to adopt. The investment changes were implemented in May 2025 (after the Scheme year end covered by this statement) after the Trustee had received appropriate investment advice from their investment consultant.

In addition, the Trustee also started their detailed triennial review of the Scheme’s investment strategy during the Scheme year, which considered the appropriateness of the SmartPath investment strategy for members and the range of self-select options. The triennial review concluded in July 2025 (after Scheme year end covered by this statement) and there were no recommended changes. Therefore, there was no requirement for formal investment advice consistent with Section 36 of the Pensions Act 1995 during the Scheme year, but investment advice was delivered as part of the July 2025 review.

The latest version of the SIP is dated October 2023, and a copy is available here: <https://vfm.aviva.co.uk/hca-international/>

Realisation of Investments

Policy

The Trustee's policy is detailed in the following sections of the SIP:

- Overall Aims and Objectives (SIP Section 4.1)
- Investment Objectives (SIP Section 4.1 and 5.1)
- Investment Policies (SIP Section 4.1 and 5.1)



How has this policy been met over the Scheme Year?

All assets are invested in daily dealt pooled investment funds, accessed through an insurance contract. These pooled arrangements are themselves regulated and underlying investments are mainly invested in regulated markets. Therefore, assets should be realisable at short notice, based on member and Trustee demands. The Trustee monitors the fund range for any issues, including liquidity issues, through quarterly performance reporting.

The Trustee receives an administration report on a quarterly basis to ensure that core financial transactions are processed within Service Level Agreements and regulatory timelines. As confirmed in the Chair's Statement, the Trustee is satisfied that all requirements were met throughout the Scheme year.

There were no known issues relating to the liquidity of the Scheme's investments over the Scheme year.

Environmental, Social and Governance (“ESG”)

Financial and non-financial considerations and how those considerations are taken into account in the selection, retention and realisation of investments

Policy

The Scheme’s SIP outlines the Trustee’s beliefs on ESG factors (including climate change). Further details are included in Section 8 of the SIP. The Trustee keeps its policies under regular review.



How has this policy been met over the Scheme Year?

The Trustee receives investment performance reports quarterly. The report includes the Trustee’s investment adviser’s ratings of the Scheme’s investment funds (both general and specific ESG). The reports also include details of how each investment manager has delivered against specific mandates.

The Scheme’s SIP includes the Trustee’s policy on ESG factors, stewardship and climate change. This policy sets out the Trustee’s beliefs on ESG and climate change and the processes followed by the Trustee in relation to voting rights and stewardship. The Trustee keeps their policies under regular review with the SIP subject to review at least triennially.

The Trustee invests in Mercer funds via the Mercer Workplace Savings (“MWS”) platform. Through MWS, the Trustee benefits from Mercer’s investment governance capabilities and has access to Mercer SmartPath, which is the Scheme’s default investment strategy.

Where managers are not highly rated from an ESG perspective the Trustee expects MWS to engage with those managers to improve ESG practices or potentially replace these managers with more highly rated managers. When implementing a new manager, MWS will consider the ESG capabilities of that manager. For those funds where the selection of investment managers is not delegated by the Trustee, the Trustee monitors their investment adviser’s ratings and will engage with managers where necessary, although engagement was not required over the Scheme year.

The Trustee acknowledges that investment managers managing assets other than equity may not have a high ESG rating assigned by the investment adviser due to the nature of the asset class where it is harder to engage with the issuer of debt, or harder to establish ESG measurement for derivative strategies.

Member views on financial and non-financial matters are not taken into consideration in the selection, retention and realisation of assets. All managers remained highly rated during the Scheme year.

Voting and Engagement Disclosures

The exercise of the rights (including voting rights) attaching to the investments and undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, the Trustee would monitor and engage with relevant persons about relevant matters).

Policy

The Trustee's policy is that investment managers are expected to evaluate factors which include climate change considerations, exercising voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.

Further details are set out in Section 8 (Responsible Investment and Corporate Governance) of the SIP, which applies to the Scheme. In addition, it is the Trustee policy to obtain reporting on voting and engagement and to periodically review the reports to ensure the policies are being met.

How has this policy been met over the Scheme Year?

The Trustee's exercise of voting rights is delegated to their investment managers. The Trustee does not use the direct services of a proxy voter; however, the investment managers may enlist the service of a proxy voter when required.

For MWS funds, where underlying investment managers are not meeting expectations, MWS is expected to engage the managers underlying the MWS funds. During the Scheme year, the Trustee did not have a need to challenge any investment managers' voting records.

Since October 2022, trustees are required to identify their key stewardship themes and priorities and report on significant votes linked to these themes/priorities. The Trustee considers a significant vote as any vote in a material investment fund (holds more than 5% of Scheme assets at the end of the Scheme year) relating to holdings in a company representing at least 1% of the year-end value of the fund. The three key stewardship areas, which also have some alignment with the Company's sustainability initiatives, are:

- Climate change, pollution and natural resource degradation
- Human rights
- Diversity, equity and inclusion



Further details are set out later in this statement. A summary of voting activity for the year to 31 March 2025 is included in Section 3 of this statement.

The Trustee can regularly review the decisions made by the managers, including voting history and engagement activity, and can challenge such decisions to contribute towards good performance over the medium-to-long term.

The Trustee reviews details of voting and engagement activities on an annual basis for each of the funds. The Trustee can challenge manager decisions that appear out of line with the investment fund's objectives or the objectives/policies of the Scheme.

Monitoring the Investment Managers

Incentivising asset managers to align their investment strategies and decisions with the Trustee's policies

Policy

The Trustee's policy is set out in Section 9.1 (Aligning Manager Investments Strategy and Decisions with Trustee policies) of the SIP, which applies to the Scheme.

How has this policy been met over the Scheme Year?

During the Scheme year no mandates were terminated by the Trustee due to performance concerns or because of changes to managers' targets.

The selection of investment managers underlying the MWS funds is the responsibility of MWS. MWS can decide to terminate the relationship with an underlying asset manager if certain performance or sustainable investment criteria are not met. For those funds that are not delegated the Trustee directly determines if relationships should be terminated based on similar criteria. This helps align and encourage investment managers to perform their duties in line with their objectives. As noted in the SIP, investment managers have been selected to align with the Trustee's overall investment strategy.

The current range of investment managers are aware that their continued appointment is dependent on them meeting these performance targets. Investment managers are made aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage. If the Trustee is dissatisfied, then it will look to review the appointment.

Evaluation of asset managers' performance and remuneration for asset management services

Policy

The Trustee's policy is set out in Section 9.3 (Evaluating Investment Manager Performance) of the SIP, which applies to the Scheme.



How has this policy been met over the Scheme Year?

The remuneration for investment managers used by the Scheme is based on a percentage of the value of the investments.

The level of fees are reviewed annually as part of the annual Value for Members assessment to ensure they continue to represent value. The latest assessment to 31 March 2025 concluded that overall, the charges across all funds provides good value for members. The investment management charge element is generally competitive, and below the peer group median, across funds and the Trustee has secured a 0.02% reduction in the Scheme charge for members further enhancing the value received by members, although this was not in place at the Scheme year end date of this statement and will be reflected in next year's Value for Members assessment.

The Trustee receives performance reports on a quarterly basis, which present performance information over three months, one year, three years and five years. The Trustee reviews the absolute performance, relative performance against a suitable index or target used as the benchmark, and against the underlying manager's stated target performance.

Monitoring portfolio turnover costs

Policy

The Trustee's policy is set out in Section 9.4 (Portfolio Turnover Costs) of the SIP, which applies to the Scheme.



How has this policy been met over the Scheme Year?

The Trustee does not define set ranges in respect of portfolio turnover and costs. The Trustee considers the level of transaction costs as a broad method to assess the level of additional costs incurred by members that may indicate higher levels of turnover within a portfolio. The level of transaction costs was considered as part of the Trustee's Value for Members' assessment.

While the transaction costs provided appear to be reflective of costs expected within the various asset classes and markets that the Scheme invests in, there is no agreed industry standard or universe for comparative assessment purposes. The Trustee will assess these costs on an ongoing basis and, where appropriate, with help from their investment adviser challenge the level of costs incurred if they were assessed to be too high relative to expectations as this may indicate excessive turnover.

The duration of the arrangements with asset managers

Policy

The Trustee is a long-term investor and does not seek to change the investment arrangements on a frequent basis. Further details of the Trustee's policy are set out in Section 9.5 (Manager Turnover) of the SIP, which applies to the Scheme.

How has this policy been met over the Scheme Year?

The Trustee monitored the performance of the managers against their appointed mandates quarterly to ensure that they remain appropriate as part of the lifestyle or self-select range and continue to do so. They reserve the right to make changes including termination of investment managers used by the Scheme.

Strategic Asset Allocation

Kinds of investments to be held, the balance between different kinds of investments and expected return on investments

Policy

The Trustee's policy on the kind of investments to be held and the balance between different kinds of investments can be found under the following sections of the SIP:

- Overall Aims and Objectives (SIP Section 4.1)
- Investment Objectives (SIP Section 4.1 and 5.1)
- Investment Policies (SIP Section 4.1 and 5.1)

How has this policy been met over the Scheme Year?

The default investment option was designed after careful analysis of the membership characteristics to offer an appropriate strategy to meet the needs of Scheme members. At the June 2024 trustee meeting, the Trustee discussed the proposed changes resulting from the MWS annual review of the SmartPath default investment strategy and agreed to adopt the proposed changes with investment changes to be implemented in May 2025 (after the Scheme year end covered by this statement).

In addition to the annual review carried out by MWS, the Trustee also started its triennial review of the Scheme's investment strategy during the Scheme year. The review was completed in July 2025 (after the Scheme year end covered by this statement) and considered the ongoing suitability of the default strategy for the membership and the range of self-select options.

The funds available are expected to provide an investment return relative to the level of risk associated with each fund.

The Trustee believes that the balance between different kinds of investments is a personal decision dependent on an individual's attitude towards risk. The Trustee believes that the range of funds offered should provide a suitable range of risk and return options for the membership to choose from.

Risks, including the ways in which risk are to be measured and managed

Policy

The Trustee's policy on the management of risk can be found in Section 4.2 of the SIP. In determining which investment options to make available the Trustee considers the investment risk associated with DC pension investment. The risk can be defined as the uncertainty over the ultimate amount of savings available on retirement. The Trustee has considered risks from a number of perspectives.

How has this policy been met over the Scheme Year?

In determining which investment options to make available, the Trustee considers both quantitative and qualitative measures for the risks outlined in the SIP when deciding on investment policy, strategic asset allocation and choice of fund managers / funds / asset classes.

All monitoring activity detailed in the SIP was undertaken, and there were no issues identified over the Scheme year. No changes were made to the investment arrangements because of these considerations.

The Trustee maintains a register of key risks including investment risk which is reviewed annually by the Trustee or more frequently if new risks are identified. 'Top' risks were also reviewed quarterly. The register of key risks rates the impact and likelihood of the risks and identifies mitigating factors and additional actions taken.

Section 3

Examples of Engagement Activity by the Scheme's Investment Managers

The following are examples of engagement activity undertaken by the Scheme's investment managers. References to "we" and "our" relate to the investment manager and not the Trustee.

BlackRock engages with Chevron Corporation and Hess Corporation on the U.S. energy sector

During the Scheme year, activity in the oil and gas sector has continued to pick up pace, significantly altering the U.S. energy landscape. Numerous companies announced and sought shareholder approval for various transactions during the 2023-24 proxy year.

One notable example is Chevron Corporation, which revealed in October 2023 that it had reached a definitive agreement to acquire Hess Corporation in an all-stock deal valued at \$53 billion. Hess later sought shareholder approval for this transaction at a special meeting in May 2024. In assessing the economic advantages of the proposed deal for our clients as long-term investors, BIS, in collaboration with BlackRock's active investment teams, engaged in multiple discussions with the leadership of both Hess and Chevron. Ultimately, we concluded that the potential value of the combined entity, along with the strategic and financial rationale, aligned with our clients' long-term financial interests. BlackRock voted in favour of the proposed transaction, which garnered a narrow majority of shareholder support.

Baillie Gifford engages with Ryanair to achieve long-term objective of lower carbon operations

Baillie Gifford is assessing the feasibility of Ryanair's long-term goal of achieving lower carbon operations, supported by its ambitious industry-leading targets and clear milestones. Success hinges on future technological advancements and increased access to sustainable aviation fuel (SAF), which could provide a significant competitive advantage. In 2023, Baillie Gifford will monitor Ryanair's progress in securing SAF agreements and validating its targets through the Science Based Targets initiative (SBTi). A meeting in September 2024 with Ryanair's head of sustainability highlighted the company's decarbonization strategy, focusing on emissions reductions through fuel efficiency, SAF, regulatory compliance, and carbon offsetting. While some initiatives depend on external factors, Baillie Gifford is encouraged by Ryanair's proactive approach and progress in securing SAF supplies. Baillie Gifford believes these targets are credible and that the company's efforts will enhance its competitive advantage and market share over time.

Mercer Investment Solutions engages with investment managers to consider climate within investment process

Mercer IS actively engages with investment managers to ensure climate considerations are integrated into their investment processes and stewardship activities. As climate is a key stewardship priority, Mercer IS closely monitors how investment managers incorporate climate factors in their engagement and voting with underlying issuers and relevant stakeholders. To support its commitment to achieving net-zero absolute portfolio carbon emissions by 2050 for its model discretionary portfolios and most multi-client, multi-asset funds, Mercer IS has developed a dedicated climate engagement framework. This framework helps identify priority companies for engagement based on factors such as their contribution to portfolio emissions, alignment with transition pathways, and transparency in decarbonisation targets. Mercer IS shares these engagement target lists with investment managers responsible for these issuers, expecting them to actively engage on decarbonisation plans and regularly report progress back to Mercer IS. Through this collaborative approach, Mercer IS leverages stewardship—particularly engagement and voting—to drive meaningful decarbonisation across portfolios.

Section 4

Voting and Engagement Activity during the Scheme Year

The undertaking of engagement activities in respect of investments is also delegated to investment managers.

The Trustee has delegated its voting rights to MWS who in turn delegates this to external investment managers. Similarly, for the small number of Trustee governed self-select funds, voting rights are also delegated to the investment manager. The Trustee does not use the direct services of a proxy voter.

MWS includes stewardship within their Sustainable Investment Policy. MWS expects all shares to be voted on by external investment managers in a manner deemed most likely to protect and enhance long-term value for investors.

Voting and engagement activities of external investment managers are reviewed regularly, this includes voting execution, voting rationale and engagement examples. MWS annually produces an ESG Report which covers stewardship activities and disclosures from external investment managers appointed within the self-select fund range and within the Mercer Growth fund.

Summary of voting activity during the Scheme year for relevant funds. Investment funds where voting rights are not attached (i.e. non-equity funds) are not included in the list below.

Fund	How many meetings were you eligible to vote at?	How many resolutions were you eligible to vote on?	What % of eligible resolutions did you vote?	Of the resolutions on which you voted, what % did you:		
				Vote with management?	Vote against management?	Abstain from voting?
BlackRock – Passive Global Equity (30:70) (GBP Hedged)	2,608	22,300	98.00%	88.00%	11.00%	3.00%
BlackRock - DC Diversified Growth	477	6,515	93.00%	95.00%	4.00%	0.00%
Baillie Gifford – UK Equity Core	57	1057	100%	96.88%	3.03%	0.09%
Baillie Gifford – International Equity	96	1240	95.89%	93.44%	6.14%	0.42%
Mercer Growth	7,237	87,220	94.00%	83.70%	15.40%	0.90%
Mercer Moderate Growth	8,648	99,092	96.00%	84.50%	14.60%	0.90%
Mercer High Growth	8,800	101,294	96.10%	84.70%	14.40%	0.90%
Mercer Defensive	4,171	41,641	95.00%	82.40%	15.80%	1.80%
Mercer Active Emerging Market Equities	309	3,279	98.80%	80.00%	13.60%	6.30%
Mercer Active UK Equity	93	2,066	100.00%	98.40%	1.50%	0.00%
Mercer Active Global Equity	563	8,652	97.90%	90.60%	8.90%	0.50%

Fund	How many meetings were you eligible to vote at?	How many resolutions were you eligible to vote on?	What % of eligible resolutions did you vote?	Of the resolutions on which you voted, what % did you:		
				Vote with management?	Vote against management?	Abstain from voting?
Mercer Diversified Growth Fund	8,940	102,119	96.10%	84.60%	14.50%	0.90%
Mercer Passive UK Equity	684	9,642	99.00%	97.00%	2.00%	0.00%
Mercer Passive Overseas Equity (GBP Hedged)	2,082	26,424	98.00%	94.00%	5.00%	0.00%
Mercer Passive Overseas Equity (GBP Unhedged)	1,891	24,298	94.00%	5.00%	0.00%	0.00%
Mercer Passive Emerging Markets Equity	2,545	21,886	95.80%	77.40%	19.70%	2.90%
Mercer Passive Sustainable Global Equity	1,124	16,329	98.60%	77.00%	22.30%	0.60%
Mercer Passive Shariah	105	1,719	96.16%	78.52%	21.48%	0.12%
Mercer Active Global Small Cap Equity	730	8,437	99.30%	91.70%	8.00%	0.30%
Mercer Diversified Retirement	5,815	67,246	96.00%	84.20%	14.70%	1.10%
Target Retirement Funds	Funds have an allocation to Mercer Growth and Mercer Diversified Retirement Funds (DRF)					

Source: Mercer, BlackRock, Baillie Gifford.
Note: Voting actions may not sum to 100% due to rounding.

Overview of Use of Proxy Services

MGIE (Mercer Global Investments Europe) has developed adequate and effective strategies for determining when and how any voting rights in funds are to be exercised, to the exclusive benefit of the fund and its investors. MGIE has put in place a policy covering each fund to ensure the exercise of voting rights are in accordance with the investment objective and policy of the fund. Mercer will provide a report on an annual basis which provides an overview of sub-investment manager engagement processes, significant votes, use of proxy advisers and engagement examples.

BlackRock's proxy voting process is led by the BlackRock Investment Stewardship team (BIS). Voting decisions are made by members of the BIS team with input from investment colleagues as required, in each case, in accordance with BlackRock's Global Corporate Governance and Engagement Principles and custom market-specific voting guidelines.

BlackRock subscribes to research from the proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis, as one among many inputs into their vote analysis process. Other sources of information include the company's own reporting, engagement and voting history with the company, and the views of its active investors, public information and ESG research.

Baillie Gifford are cognisant of proxy advisers' voting recommendations, but do not delegate or outsource any of their stewardship activities or follow or rely upon recommendations when deciding how to vote on their clients' shares. All client voting decisions are made in-house. They vote in line with their in-house policy and not with the proxy voting providers' policies. They also have specialist proxy advisers in the Chinese and Indian markets to provide them with more nuanced market specific information.

An overview on the use of any additional proxy voting services by sub-investment managers will be provided by Mercer on an annual basis going forward.

Most significant votes

A "Significant Vote" is defined, by the Trustee as one that relates to the Trustee following key stewardship priorities:

The Trustee considers a significant vote as any vote in a material investment fund (holds more than 5% of Scheme assets at Scheme year-end) relating to holdings in a company representing at least 1% of the year-end value of the fund. The three key stewardship areas, which also have some alignment with the Company's sustainability initiatives, are:

- Climate change, pollution and natural resource degradation
- Human rights
- Diversity, equity and inclusion

Mercer Growth is the only fund that holds over 5% of Scheme assets where voting rights are attached.

✗ Resolution not passed ✓ Resolution passed

Fund	Portion of the fund	Company	Date of vote	How the Manager voted	Intention shared with Company	Rationale of Manager vote	Final outcome following the vote	Why Vote is Significant	Next Steps
Mercer Growth	2.11%	Alphabet Inc	07/06/2024	Voted against Shareholder Proposal Regarding EEO Policy Risk Report.	No	The manager believes that a vote against this proposal is warranted, as the company's current commitments, policies, and disclosures provide investors with adequate information to evaluate how the company protects against discrimination towards employees and any associated risks.	✗	The Trustee has deemed votes related to Diversity to be a significant vote.	None to report
				Voted for Shareholder Proposal Regarding Human Rights Impact Assessment of AI-Driven Targeted Advertising	Yes	The manager believes that a vote for this proposal is warranted, as the company is taking some steps around responsible AI use and targeted advertising. However, and as noted by the proponent, targeted advertising is critical to the company's business. As there has been significant regulatory, legal, and reputational scrutiny around the company's targeted-advertising practices, the requested report would help shareholders better evaluate the effectiveness of the company's management of these issues and related risks.	✗	The Trustee has deemed votes related to Human Rights to be a significant vote.	MGIE will follow up in post-season engagement to verify any progress on this topic.

Fund	Portion of the fund	Company	Date of vote	How the Manager voted	Intention shared with Company	Rationale of Manager vote	Final outcome following the vote	Why Vote is Significant	Next Steps
	1.32%	Meta Platforms Inc	29/05/2024	Voted for Shareholder Proposal Regarding Human Rights Impact Assessment of AI Used in Targeted Advertising	No	The manager believes that a vote for this proposal is warranted, as many of the risks to the company over its advertising practices come from legislation enacted to protect human rights such as the freedom to privacy. These risks appear to be growing as the European Union, and some states in the U.S., enact further legal safeguards. In the EU, the company has also faced fines and adverse legal judgments that impact its business. A third-party assessment on the company's policies and practices related to targeted advertising could help shareholders assess the company's management of human rights-related risks	✘	The Trustee has deemed votes related to Human Rights to be a significant vote.	MGIE will follow up in post-season engagement to verify any progress on this topic.
				Voted for Shareholder Proposal Regarding Lobbying Activity Alignment with Net Zero Emissions Commitment	No	The manager believes that a vote for this proposal is warranted, as the company provides limited disclosure around its direct and indirect lobbying expenditures. It also does not go into detail about how it assesses misalignment or what strategies it would use when misalignments are found.	✘	The Trustee has deemed votes related to Climate Change to be a significant vote.	MGIE will follow up in post-season engagement to verify any progress on this topic.

Fund	Portion of the fund	Company	Date of vote	How the Manager voted	Intention shared with Company	Rationale of Manager vote	Final outcome following the vote	Why Vote is Significant	Next Steps
				Voted against Shareholder Proposal Regarding Report on Human Rights Risks in Non-U.S. Markets	No	The manager believes that a vote against this proposal is warranted, as the company has a corporate human rights policy in place and the board's Audit and Risk Oversight Committee manages the company's risk exposures including human rights risks. The company has also established an independent Oversight Committee that reviews the company's content moderation policies and provides issue specific feedback to the team for redressal of concerns. While there have been instances of negative media attention, on the whole, the company has sufficient measures to evaluate and manage human rights risks related to content moderation in non-U.S. markets.	✗	The Trustee has deemed votes related to Human Rights to be a significant vote.	None to report

Source: MWS.