

Home Group Pension and Life Assurance Scheme (the “Scheme”)

Implementation Statement for year ended 31 March 2024

Purpose

This Implementation Statement provides information on how, and the extent to which, the Trustees’ policies in relation to the exercising of rights (including voting rights) attached to the Scheme’s investments, and engagement activities have been followed during the year ended 31 March 2024 (“the reporting year”). In addition, the statement provides a summary of the voting behaviour and most significant votes cast during the reporting year.

The Trustees’ policy

The Trustees believe that good stewardship and environmental, social and governance (“ESG”) issues may have a material impact on investment returns and that good stewardship can create and preserve value for companies and markets as a whole. The Trustees also recognise that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration.

The Trustees have given the investment managers full discretion when evaluating ESG issues and in exercising rights and stewardship obligations attached to the Scheme’s investments. These investment managers are expected to evaluate ESG factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code.

The Trustees have determined the following key themes as the basis for the Scheme’s “most significant votes” in respect of the investment manager engagement activities:

- Climate Change: low-carbon transition and physical damages resilience;
- Pollution, natural resource degradation and energy efficiency: air, water and land (forests, soils and biodiversity);
- Human rights: modern slavery, pay and safety in workforce and supply chains, and abuses in conflict zones;
- Diversity, Equity and Inclusion: inclusive and diverse decision making.

The Trustees consider how ESG, climate change and stewardship are integrated within investment processes when appointing new investment managers and monitoring existing investment managers.

Manager selection exercises

The Trustees will seek advice from XPS on the extent to which their views on ESG and climate change risks may be taken into account in any future investment manager selection exercises.

During the reporting year, there have been no such manager selection exercises.

Post accounting year end, the Trustees undertook a review of the Scheme’s investment strategy and are considering some strategic changes to the portfolio. This investment strategy review included a review of a range of ESG metrics for the current investment strategy.

Ongoing governance

As part of the Trustees’ ongoing review of their investment managers, the Trustees will review how ESG, climate change and stewardship are integrated within the investment managers’ investment processes and in the monitoring process. The managers are expected to provide reporting on a regular basis, at least annually, on ESG integration progress, stewardship monitoring results, and climate-related metrics. The Trustees will consider the ESG policies of any potential new manager as part of the selection process.

Adherence to the Statement of Investment Principles

During the reporting year the Trustees are satisfied that they followed their policy on the exercise of rights (including voting rights) and engagement activities to an acceptable degree.

Voting activity

The main asset class where the investment managers will have voting rights is equities. During the accounting period the Scheme held specific allocations to equities through its investments in the UBS Life Climate Aware Equity Fund and the GBP hedged version of the Fund. A summary of the voting behaviour and most significant votes cast by each of the relevant investment manager organisations is shown below. This voting information has been provided by the investment managers. Where the manager has provided a selection of significant votes, the Trustees have reviewed the rationale for significant votes provided by the managers and is comfortable with the rationale provided, and that this is consistent with their policy. The Trustees, with the help of their Investment Consultant, have considered the information the Investment Managers have been able to provide on significant voting, and have deemed the below information as most relevant.

In this statement we have only disclosed voting information with regards to the equities, in line with current regulatory requirements. However, whilst the non-equity funds held within the Scheme's investment strategy do not carry voting rights, levels of engagement and stewardship are considered when appointing managers and are monitored by the Trustees.

Manager Voting

Voting Information

UBS Life Climate Aware Equity Fund / GBP Hedged version

The manager voted on 97.9% of resolutions of which they were eligible out of 17,586 eligible votes.

Investment Manager Client Consultation Policy on Voting

UBS Asset Management ("UBS") are appointed as investment manager on behalf of the above Fund in a discretionary capacity. Voting rights are directly exercised by UBS. In exceptional circumstances clients invested within the Fund may instruct UBS how they wish to vote on a specific proposal in respect of their pro-rata holding of units.

Investment Manager Process to determine how to Vote

UBS' voting decisions are based upon the principles and guidelines outlined in their Proxy Voting Policy, published on their website at <https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html>. Their service provider will present a voting recommendation to UBS based upon their voting policy and principles. This recommendation is reviewed by their dedicated Stewardship Team, for them to validate the recommendation including any additional information arising from engagement, and it is shared with their portfolio managers and investment analysts for further feedback. Any votes proposed that would override the initial recommendation based on additional information are reviewed by their Stewardship Committee, which has the final authority for voting decisions.

How does this manager determine what constitutes a 'Significant' Vote?

UBS have highlighted those companies which received a significant vote against from all shareholders, including where they chose not to support management. They have also highlighted where voting actions have been taken following engagement outcomes.

Use of a Proxy Voting System

UBS retain the services of Institutional Shareholder Services (ISS) for the physical exercise of voting rights and for supporting voting research. UBS retain full discretion when determining how to vote at shareholder meetings.

Top 5 Significant Votes during the Period

Company	Date of Vote	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	Voting Subject	How did the Investment Manager Vote?	Result
ENGIE SA	26/04/2023	Information not provided by UBS	Amend Articles 21 and 24 of Bylaws Re: Climate Strategy	Against Management	Fail
<p>Why the vote was deemed significant: Aggregate percentage of votes against management exceeded 20% of votes cast. Where voted against company, was this communicated: No. Rationale: The proposal is reasonable, not overly prescriptive, and would allow shareholders to be regularly informed and have a say on the company's implementation of its climate strategy. This links to the Trustees' climate change priority. Implication: UBS will continue to encourage the company to provide an annual opportunity to shareholders to express their views on the climate strategy.</p>					
BP Plc	27/04/2023	Information not provided by UBS	Re-elect Melody Meyer as Director	Against Management	Pass
<p>Why the vote was deemed significant: Vote against Chair of Sustainability Committee. Where voted against company, was this communicated: Company not advised prior to meeting. Rationale: UBS believe the company should have sought shareholder approval for these changes to its strategy and thus they are holding the Chair of the Sustainability Committee accountable for such an action. This links to the Trustees' climate change priority. Implication: UBS will continue to engage the company as part of their Net Zero Climate Thematic Programme.</p>					
Unilever Plc	03/05/2023	Information not provided by UBS	Approve remuneration report	Against Management	Fail
<p>Why the vote was deemed significant: Aggregate percentage of votes against management exceeded 50% of votes cast. Where voted against company, was this communicated: No. Rationale: New CEO package is deemed to be excessive. This links to the Trustees' diversity, equity and inclusion priority. Implication: UBS have engaged the company on the failed vote and communicated their rationale for the vote. They will follow the issue and look to engage once the company has determined what actions it plans to put in place to rectify the vote.</p>					
Abrdn Plc	10/05/2023	Information not provided by UBS	Authorise issue of equity	Against Management	Pass

Why the vote was deemed significant:
 Aggregate percentage of votes against management exceeded 20% of votes cast.

Where voted against company, was this communicated:

No.

Rationale:

Share issuances with pre-emption rights exceeding 20% of issued share capital are deemed overly dilutive. This links to the Trustees' diversity, equity and inclusion priority.

Implication:

UBS will inform the Company of their overall vote, and policy stance to only support share issuances up to 20% with pre-emption rights.

Shell Plc	23/05/2023	Information not provided by UBS	Approve the Shell Energy Transition Progress	Against Management	Pass
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Why the vote was deemed significant:

Support for shareholder proposal was above 20%.

Where voted against company, was this communicated:

No.

Rationale:

The company's plans are unclear, milestones seem to have disappeared without adequate explanation and the company's discussion on transition spend in 2023 can be misinterpreted without careful reading. This links to the Trustees' climate change priority.

Implication:

UBS will continue to engage the Company as part of their Net Zero Climate Thematic Programme.

Engagement information

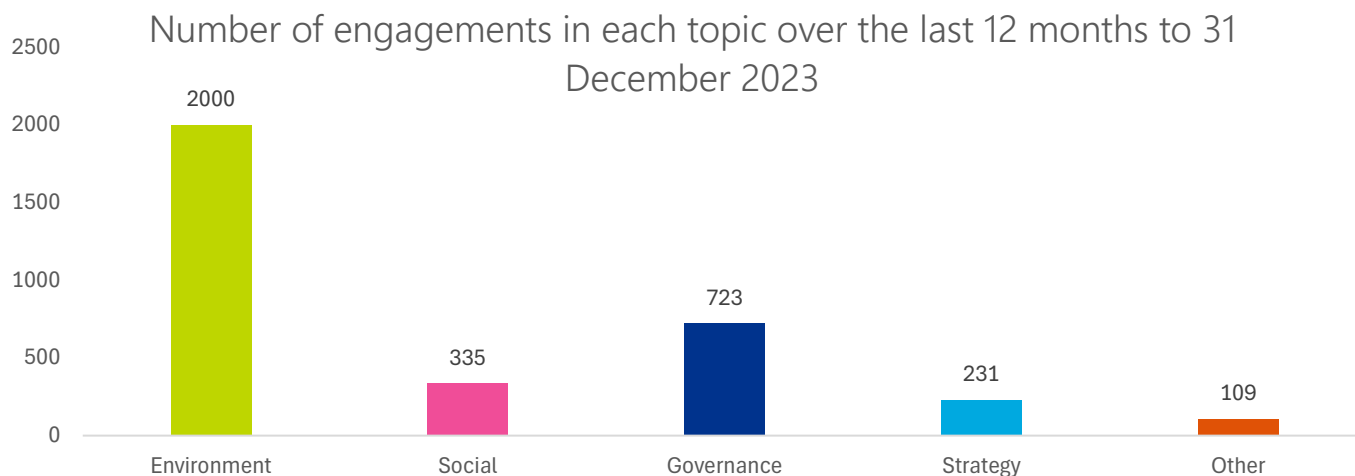
In order to monitor engagement undertaken by the investment managers in particular against the Scheme-specific stewardship priorities, the Trustees have collected the following information.

LGIM was unable to provide engagement data for the LGIM Over 5 Year Index Linked Gilt Index Fund, given the fund is predominantly invested in sovereign debt.

Engagement data provided by LGIM as at 31 December 2023

Firm level engagement information	
Engagement focus	<p>In 2023, LGIM's policy dialogue encompassed a variety of global issues. LGIM engages with peers, industry groups, NGOs, academia, and civil society. They anticipate furthering their engagement with the extensive network of third parties they partner with. LGIM is involved with the CA100+, the Asian Corporate Governance Association, the Institutional Investors Group on Climate Change, the 30% Club (including its regional chapters), the Platform for Living Wage Financials, and the Access to Nutrition Initiative.</p> <p>LGIM aligns with the 'universal owner' approach, concentrating their stewardship activities on six global themes: climate, nature, people, health, governance, and digitisation, which encompass 21 sub-themes. These themes are of financial significance to their clients and areas where LGIM, as an investment manager, can exert influence.</p> <p>When selecting companies for direct engagement, LGIM targets those poised to positively impact their industries and supply chains through ESG improvements, due to their size and influence. This strategy aims to enhance ESG factors across global markets. The LGIM ESG Score, evaluating approximately 17,000 companies, and the Climate Impact Pledge Scores, assessing over 5,000 companies, facilitate the ranking of companies based on their ESG performance and identification of pivotal companies for engagement.</p>
How many entities did you engage with over the last 12 months at firm level?	2,050 companies
How many engagements took place over the last 12 months at firm level?	2,500 company engagements*

*A single engagement may be included under multiple categories and therefore the below chart will total to more than 2,500.



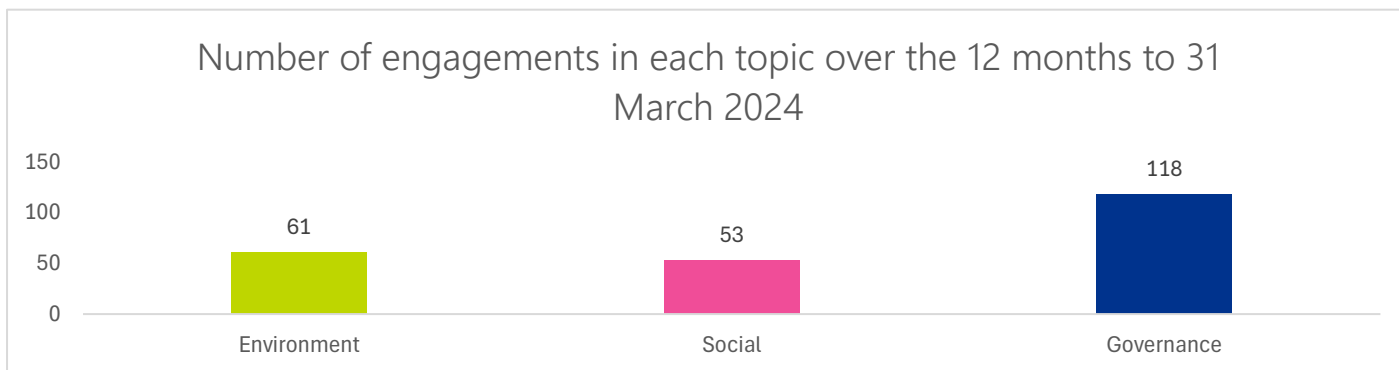
Topic	Number of engagements over the 12 months to 31 December 2023
Environment	
<i>Climate change</i>	1,797
<i>Natural resource use/impact (e.g. water, biodiversity)</i>	178
<i>Pollution, Waste</i>	24
<i>Antimicrobial Resistance (AMR)</i>	1
Social	
<i>Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying)</i>	6
<i>Human and labour rights (e.g. supply chain rights, community relations)</i>	27
<i>Human capital management (e.g. inclusion & diversity, employee terms, safety)</i>	229
<i>Inequality</i>	48
<i>Public health</i>	25
Governance	
<i>Board effectiveness - Diversity</i>	226
<i>Board effectiveness - Independence or Oversight</i>	96
<i>Board effectiveness - Other</i>	83
<i>Leadership - Chair/CEO</i>	46
<i>Remuneration</i>	239
<i>Shareholder rights</i>	33
Strategy	
<i>Strategy, Financial and Reporting - Capital allocation</i>	2
<i>Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting)</i>	65
<i>Strategy, Financial and Reporting - Financial performance</i>	75
<i>Strategy, Financial and Reporting - Strategy/purpose</i>	75
<i>Strategy, Financial and Reporting - Risk management (e.g. operational risks, cyber/information security, product risks)</i>	14
Other	
<i>Other</i>	109

Engagement data provided by BlackRock

BlackRock did not provide firm level engagement data, however they did provide engagement data for the BlackRock UK Buy and Maintain Credit Fund which the Scheme invests in. Information for the 12-month period to 31 March 2024 is provided below.

Fund Level engagement Information	
How many entities did you engage with over the last 12 months which were relevant to this strategy?	51
How many engagements took place over the last 12 months which were relevant to this strategy?	127*

*A single engagement may be included under multiple categories and therefore the below chart will total to more than 127.



Topic	Number of engagements over the 12 months to 31 March 2024
Environment	
<i>Biodiversity</i>	12
<i>Climate Risk Management</i>	61
<i>Land Use/Deforestation</i>	1
<i>Environmental Impact Management</i>	0
<i>Operational Sustainability</i>	0
<i>Other company impacts on the environment</i>	18
<i>Water and Waste</i>	1
Social	
<i>Business Ethics and Integrity</i>	7
<i>Community relations</i>	7
<i>Diversity and Inclusion</i>	7
<i>Health and Safety</i>	2
<i>Human Capital Management</i>	21
<i>Indigenous People's Rights</i>	4
<i>Other Human Capital Management Issues</i>	7
<i>Other company impacts on people/human rights</i>	9
<i>Privacy and Data Security</i>	3
<i>Social Risks and Opportunities</i>	27
<i>Supply Chain Labour Management</i>	4
Governance	
<i>Board Composition and Effectiveness</i>	50
<i>Board Gender Diversity</i>	3

<i>Business Oversight/Risk Management</i>	53
<i>Corporate Strategy</i>	72
<i>Executive Management</i>	32
<i>Governance Structure</i>	21
<i>Other</i>	16
<i>Remuneration</i>	47
<i>Sustainability Reporting</i>	39

The section below provides examples of where the investment manager has engaged with the underlying companies, of which the Fund invests in, over the course of the 12-month period.

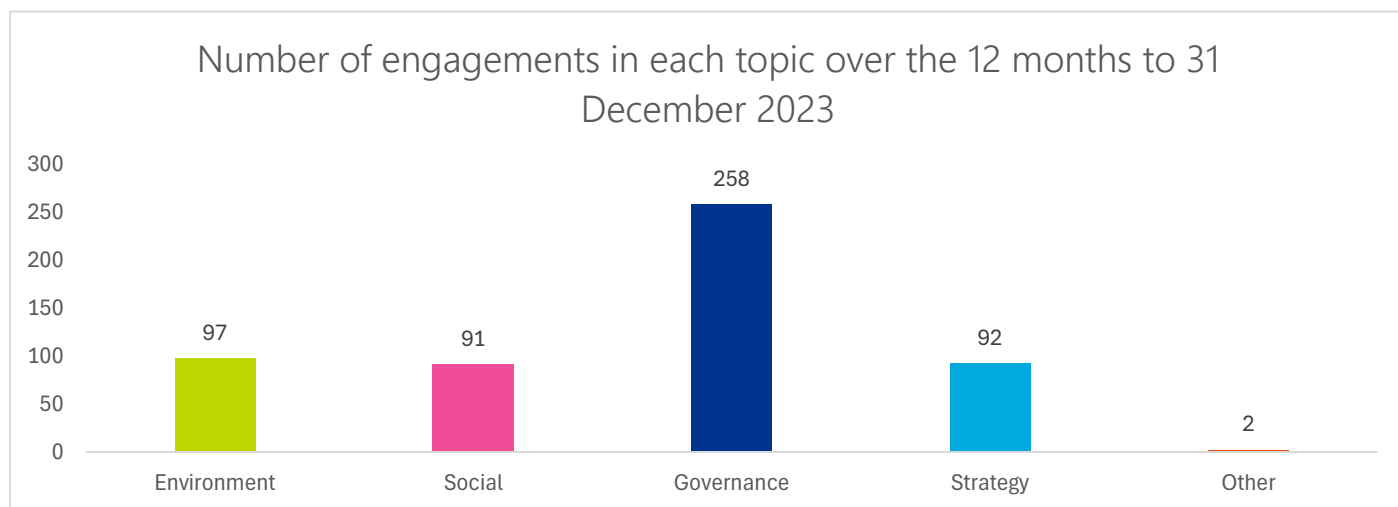
Name of entity you engaged	Rio Tinto Plc
Topic of Engagement	Human rights
Rationale for engagement	BlackRock Investment Stewardship (BIS) regularly engages with the Rio Tinto Group to understand how the company identifies and manages risks and opportunities that may impact their ability to deliver sustained financial performance for long-term investors. This links to the Trustees' human rights priority.
Engagement activity carried out	<p>BIS' discussions with the company have covered a range of corporate governance and social issues, such as board quality, executive remuneration, human capital management, and company impacts on people, including the adverse impacts resulting from the destruction of a 46,000-year-old sacred site in Western Australia at Juukan Gorge. BIS has sought to further its understanding of the company's approach to material sustainability-related risks and opportunities, and their strategies to navigate the transition to a low-carbon economy successfully.</p> <p>The 2020 Juukan George incident involved the destruction of a 46,000-year-old rock shelter sacred to the traditional owners in the Pilbara region of Western Australia. Following the incident, BIS engaged with key Rio Tinto management and board members on more than 10 occasions to discuss their governance frameworks, remediation processes, and ongoing relationship with indigenous communities. BIS engaged to understand the gravity of the situation, and whether voting action was required due to the impact on shareholder value and stakeholder trust. BIS shared its perspective on the company's response and continued to engage to further understand the company's leadership changes within the context of the incident.</p>
Outcomes and next steps	<p>Between January 1 and October 31, 2023, BIS engaged with Rio Tinto's corporate leadership on two occasions to discuss the company's corporate strategy, as well as Rio Tinto's approach to managing business relevant climate-related risks. As BIS finds the company to be responsive to shareholder concerns, the team voted in support of all management recommendations at the April 2023 AGM.</p> <p>BIS has continued to engage with members of the board and management to track progress against the company's commitment to address these issues.</p>

Engagement data provided by UBS

UBS did not provide firm level engagement data, however they did provide engagement data for the UBS Life Climate Aware World Equity Fund which the Scheme invests in. Information for the 12-month period to 31 December 2023 is provided below.

Fund Level engagement Information	
How many entities did you engage with over the last 12 months which were relevant to this strategy?	137
How many engagements took place over the last 12 months which were relevant to this strategy?	206*

*A single engagement may be included under multiple categories and therefore the below chart will total to more than 206.



Topic	Number of engagements over the 12 months to 31 December 2023
Environment	
Climate change	76
Natural resource use/impact (e.g. water, biodiversity)	13
Pollution, Waste	8
Social	
Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying)	9
Human and labour rights (e.g. supply chain rights, community relations)	25
Human capital management (e.g. inclusion & diversity, employee terms, safety)	32
Inequality	6
Public health	19
Governance	
Board effectiveness - Diversity	31
Board effectiveness - Independence or Oversight	59
Board effectiveness - Other	28
Leadership - Chair/CEO	30
Remuneration	88
Shareholder rights	22
Strategy	

<i>Strategy, Financial and Reporting - Capital allocation</i>	31
<i>Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting)</i>	14
<i>Strategy, Financial and Reporting - Financial performance</i>	11
<i>Strategy, Financial and Reporting - Strategy/purpose</i>	20
<i>Strategy, Financial and Reporting - Risk management (e.g. operational risks, cyber/information security, product risks)</i>	16
Other	
<i>Other</i>	2

The section below provides examples of where the investment manager has engaged with the underlying companies, of which the Fund invests in, over the course of the 12-month period.

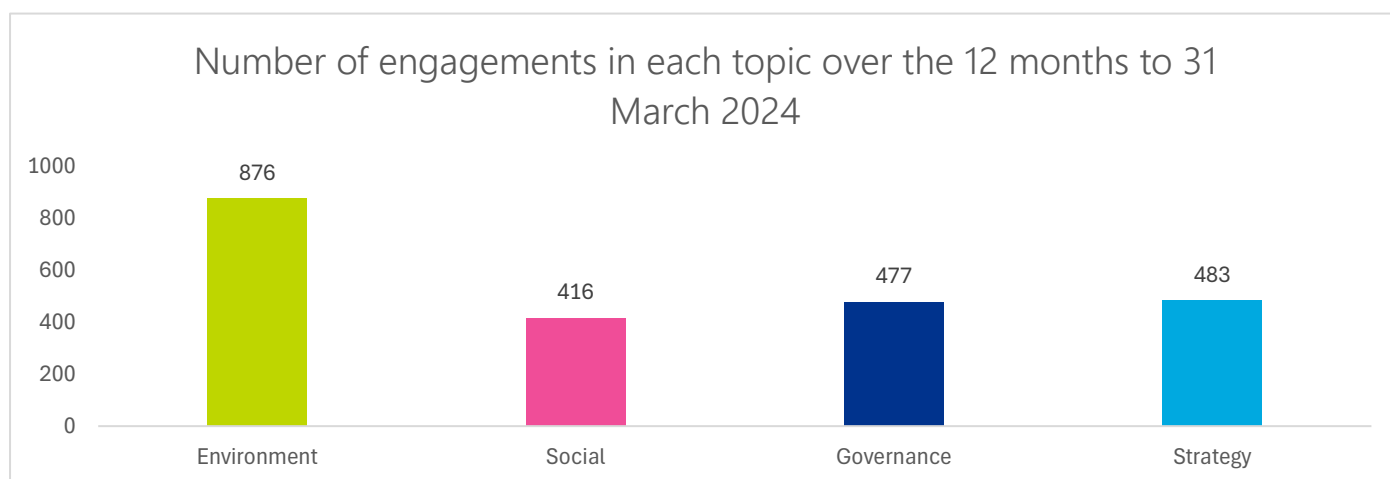
Name of entity you engaged	Rio Tinto
Topic of Engagement	Environmental: Decarbonisation strategy, scope 3 emissions, green steel.
Rationale for engagement	Scope 3 emissions are >90% of Rio Tinto's total emissions, with approximately 70% of these attributable to smelting iron to produce steel. Steel is key to the infrastructure build required to meet the needs of energy transition. Focusing on operational emissions largely avoids the emissions generated across the products value chain. Rio Tinto's iron ore assets are largely 'medium grade' iron ore from its Pilbara mines in Western Australia which currently is not of sufficient quality to meet requirements to produce green steel. This could decrease the attractiveness of a large part of the portfolio over time as steel companies push to decarbonise their products and switch to higher-grade iron ore. This links to the Trustees' climate change priority.
Engagement activity carried out.	UBS have engaged bilaterally and collaboratively as co-lead of Climate Action 100+ with Rio Tinto since 2019. There are 26 engagements covering indigenous rights, worker safety, environmental management, and decarbonisation strategy.
Outcomes and next steps	Rio Tinto increased transparency on its work with its customers to decarbonise downstream iron ore emissions including: how much it has spent on steel decarbonisation, provide spending forecasts over three-year periods along and detail what milestones have been achieved on its green steel strategy.

Engagement data provided by Janus Henderson

Janus Henderson provided engagement data both a firm level and for the Janus Henderson Multi Asset Credit Fund in which the Scheme is invested. Information for the 12-month period to 31 March 2024 is provided below.

Firm level engagement Information	
Engagement focus	Janus Henderson ("JH") mainly focus on corporate engagements where they are a shareholder. The largest proportion of ESG engagements is focused on individual issuers, however this frequently touches on systemic issues that no one company can solve by themselves. The thematic engagement they do (both JH and through collaborative initiatives) tends to be more focused on addressing system wide risks.
How many entities did you engage with over the last 12 months at firm level?	640 companies
How many engagements took place over the last 12 months at firm level?	865 company engagements*

*A single engagement may be included under multiple categories and therefore the below chart will total to more than 865.



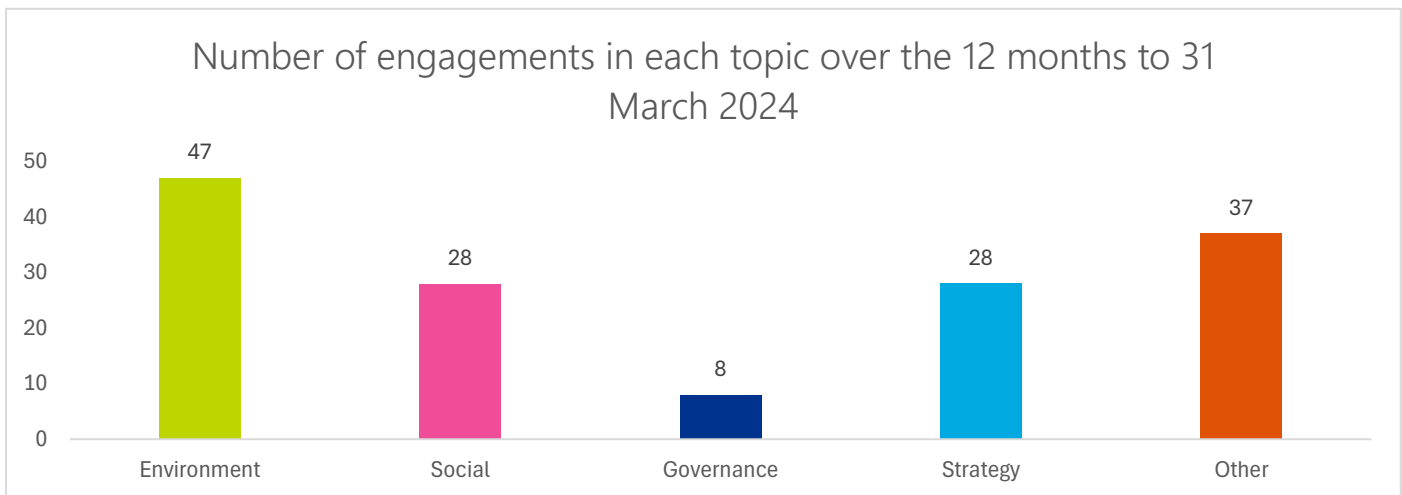
Topic	Number of engagements over the 12 months to 31 March 2024
Environment	
<i>Climate change</i>	552
<i>Natural resource use/impact (e.g. water, biodiversity)</i>	176
<i>Pollution, Waste</i>	148
Social	
<i>Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying)</i>	28
<i>Human and labour rights (e.g. supply chain rights, community relations)</i>	131
<i>Human capital management (e.g. inclusion & diversity, employee terms, safety)</i>	183
<i>Inequality</i>	37
<i>Public health</i>	37
Governance	
<i>Board effectiveness - Diversity</i>	154

Board effectiveness - Independence or Oversight	Included in 154 above.
Board effectiveness - Other	Included in 154 above.
Leadership - Chair/CEO	181
Remuneration	102
Shareholder rights	40
Strategy	
Strategy, Financial and Reporting - Capital allocation	27
Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting)	156
Strategy, Financial and Reporting - Financial performance	N/A
Strategy, Financial and Reporting - Strategy/purpose	131
Strategy, Financial and Reporting - Risk management (e.g. operational risks, cyber/information security, product risks)	169
Other	
Other	0

Janus Henderson Multi Asset Credit Fund

Fund Level engagement Information	
How many entities did you engage with over the last 12 months which were relevant to this strategy?	35
How many engagements took place over the last 12 months which were relevant to this strategy?	49*

*A single engagement may be included under multiple categories and therefore the below chart will total more than 49.



Topic	Number of engagements over the 12 months to 31 March 2024
Environment	
<i>Climate change</i>	38
<i>Natural resource use/impact (e.g. water, biodiversity)</i>	1
<i>Pollution, Waste</i>	8
Social	
<i>Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying)</i>	2
<i>Human and labour rights (e.g. supply chain rights, community relations)</i>	11
<i>Human capital management (e.g. inclusion & diversity, employee terms, safety)</i>	6
<i>Inequality</i>	3
<i>Public health</i>	6
Governance	
<i>Board effectiveness - Diversity</i>	3
<i>Board effectiveness - Independence or Oversight</i>	2
<i>Board effectiveness - Other</i>	0
<i>Leadership - Chair/CEO</i>	0
<i>Remuneration</i>	2
<i>Shareholder rights</i>	1
Strategy	
<i>Strategy, Financial and Reporting - Capital allocation</i>	1
<i>Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting)</i>	18
<i>Strategy, Financial and Reporting - Financial performance</i>	0
<i>Strategy, Financial and Reporting - Strategy/purpose</i>	4
<i>Strategy, Financial and Reporting - Risk management (e.g. operational risks, cyber/information security, product risks)</i>	5
Other	
<i>Other* ESG Strategy and Environment - Climate Risk Analysis</i>	37

The section below provides examples of where the investment manager has engaged with the underlying companies, of which the Fund invests in, over the course of the 12-month period.

Name of entity you engaged	Cheplapharm
Topic of Engagement	Social: access and affordability
Rationale for engagement	<p>Janus Henderson decided to engage with management as part of their access and affordability thematic engagement programme in the healthcare sector. Cheplapharm is a pharmaceutical company that focuses on off-patent branded/prescription/niche drugs holding a portfolio of >150 products distributed across 145 countries.</p> <p>Janus Henderson's primary aim was to assess how much of future topline growth was to be driven by pricing versus volume. Given Cheplapharm's positive revenue growth over the past 18 months (18% in 2022 and 8% in H1 2023), they wanted to ensure that price growth is not going to be the key driver of earnings going forward. The adoption of potentially aggressive pricing strategies a greater concern with the niche drugs business considering the absence of competitor drugs to provide price competition. This links to the Trustees' human rights priority.</p>

<p>Engagement activity carried out.</p>	<p>Management was very clear that volume and price cutting are the key drivers of future earnings. Volume is driven by introducing existing products into new geographies and price cutting is driven by a renewed focus on the drug product. They were clear that aggressive price hikes are not compatible for two reasons. Firstly, the large pharma houses 'entrust' their product to Cheplapharm. Any negative press around aggressive price hikes would be reputationally damaging to the developer pharma house. Cheplapharm 'runs down' drug product 'tail' consequently any reputational damage would be more material considering the body of the earnings have already been collected. This in turn would reduce supply of IP rights to Cheplapharm going forward. Secondly, Cheplapharm stated that the risk to their licenses is material in the face of aggressive price hikes. Considering the diversification of products an aggressive price would pose more risk to the company than any upside to the topline.</p>
<p>Outcomes and next steps</p>	<p>Janus Henderson were pleased to hear this confirmation from management and feel confident Cheplapharm is not engaged in aggressive pricing strategies. They therefore maintain their ESG rating of Green reflecting the non-material ESG risks faced by the company.</p>

Signed: _____, Chair of Trustees

Date: _____