Home Group Pension & Life Assurance Scheme – DB Section ("the Scheme")

Annual Implementation Statement – 31st March 2023

1. Introduction

This statement, prepared by the Trustees of the Scheme ("the Trustees"), sets out how, and the extent to which, the Statement of Investment Principles ("SIP") has been followed during the year to 31st March 2023 ("the Scheme year"). This statement should be read in conjunction with the Scheme's SIP. This statement also includes a summary of the voting activity that was carried out on behalf of the Trustees over the Scheme year by the investment managers.

This statement has been produced in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2018 (as amended in 2019) and the guidance published by the Pensions Regulator.

The statement is based on, and should be read in conjunction with, the relevant version of the Statement of Investment Principles ('SIP') that was in place for the Scheme year, which, as at 31st March 2023, was the SIP dated December 2022.

The Scheme has both a Defined Benefit ("DB") Section and a Defined Contribution ("DC") Section. This statement covers the DB Section only; a separate statement has been prepared for the DC Section.

2. Statement of Investment Principles

2.1. Investment objectives of the Scheme

The Trustees believe it is important to consider the policies in place in the context of the investment objectives they have set. To guide them in their strategic management of the assets and control of the various risks to which the Scheme is exposed, the Trustees have adopted the following objectives:

- To achieve, a suitable balance between return expectation and risk taken. In deciding what is a suitable balance for the Defined Benefit (DB) Section, the Trustees will consider both their duty to act in the best interests of the members and beneficiaries, and the interests of the sponsoring Employer in relation to the size and volatility of the contribution requirements.

- To ensure that sufficient liquid assets are available to meet benefit payments as they fall due.

- To restore and then maintain the Scheme's funding position, on an ongoing basis, to at least 100%, accepting short-term fluctuations.
- To ensure the investment strategy is consistent with the funding strategy taking into consideration the assessed strength of the sponsoring Employer covenant.

2.2. Review of the SIP

During the year to 31st March 2023, the Trustees reviewed and amended the Scheme's SIP in order to reflect changes made to the Scheme's investment strategy for the de-risking that took place.

The SIP was approved and adopted at the Trustee meeting in December 2022. The Trustees consulted with the sponsoring company in finalising the SIP.

The latest SIP is publically available and can be accessed by this link:
https://media.umbraco.io/home-group-heartcore/5zzluuhc/sip-december-2022-website-version.pdf

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

2.3. Assessment of how the policies in the SIP have been followed for the year to 31st March 2023

The information provided in the following section highlights the work undertaken by the Trustees during the Scheme year to 31st March 2023 and sets out how this work followed the Trustees' policies in the SIP. The policies set out in the SIP dated December 2022 are considered to be representative of the whole Scheme year.

In summary, it is the Trustees' view that the policies in the SIP have been followed during the Scheme year to 31st March 2023.

Signed on behalf of the Trustees of the Home Group Pension and Life Assurance Scheme by:

Bhavna Kumar, Align Pensions Limited
Chair of Trustees

Date: 9th October 2023

Strategic Asset Allocation

	Policy	Relevant section / policy in the SIP	How the policy has been met over the year to 31st March 2023
1	**Kind of investments to be held and the balance between different kinds of investments**	4.2. The Trustees have adopted the following control framework in structuring the Scheme's investments: • There is a role for active management. • At the total DB Section level and within individual manager appointments, investments should be broadly diversified to ensure there is not a concentration of investment with any one issuer. This restriction does not apply to investment in UK Government debt. • Investment in derivatives is permitted within pooled funds as long as they contribute to a reduction in risk or facilitate efficient portfolio management. • Investment may be made in securities that are not traded on regulated markets within pooled funds. Recognising the risks (in particular liquidity and counterparty exposure) such investments will normally only be made with the purpose of reducing the Scheme's mismatch risk relative to its liabilities or to facilitate efficient portfolio management. In any event the Trustees will ensure that the assets of the Scheme are predominantly invested on regulated markets. • Borrowing is not permitted except to cover short-term liquidity requirements. 4.3. The Trustees have agreed to the following benchmark strategy of 30% growth assets and 70% risk-reducing assets. Growth assets are split into Equities (17.5%), Multi-Asset Credit (7.5%) and Property (5.0%), while risk-reducing assets include Corporate Bonds (32.5%) and Index-Linked Gilts (37.5%). Further details of the investment strategy are set out in the Summary of Investment Arrangements.	The Trustees continued to hold investments within the Scheme that are consistent with the policies in the SIP. The Trustees monitored their investment strategy over the Scheme year, with support from their investment consultant, Mercer, who provided quarterly monitoring reports presented at the regular Trustees' meetings. Following funding level improvements, the Trustees reviewed the investment strategy and agreed to de-risk, placing more emphasis on risk-reducing assets to lock in the funding gains and reduce funding level volatility. As a result, the Scheme moved a large portion of its growth assets into risk-reducing assets during the last quarter of 2022. This involved disinvesting from the equity and diversified growth funds with LGIM and BlackRock, respectively, to fund a new investment in an Index-Linked Gilts (Over 5 Years) fund with LGIM and increase the allocation to the Buy and Maintain Credit fund with BlackRock. In addition, over the year the Trustees also moved the Scheme's equity holdings with UBS into climate-aware and ESG-focused vehicles with UBS and LGIM (until termination), respectively. The Scheme benchmark shown represents the benchmark position as at 31st March 2023, following the implementation of the investment strategy changes as detailed above. Post the Scheme year, the Trustees further de-risked the Scheme assets in July 2023 by disinvesting from the UBS Climate-Aware Equity Fund and investing into the LGIM Index-Linked Gilts (Over 5 years) Fund. This reduced the benchmark allocation to UBS by 10% and commensurately increased the LGIM benchmark allocation. At an overall level the benchmark allocation changed from 30% growth assets and 70% risk-reducing assets to 20% growth assets and 80% risk reducing assets.

	Policy	Relevant section / policy in the SIP	How the policy has been met over the year to 31st March 2023
2	**Risks, including the ways in which risks are to be measured and managed**	4.1. There are various risks to which any pension scheme is exposed which are considered to be financially material to the Scheme over its anticipated lifetime. The Trustees' policy on risk management is detailed in the SIP (Section 4.1.) Should there be a material change in the Scheme's circumstances, the Trustees will review whether and to what extent the investment arrangements should be altered and, in particular, whether the current risk profile remains appropriate.	The Trustees considered both quantitative and qualitative measures for risks when deciding investment policies, strategic asset allocation and the choice of investment managers, funds and asset classes. During the year, the Trustees considered the majority of these risks by regularly monitoring performance delivered by the investment arrangements by way of quarterly performance reporting. As noted above, following funding level improvements, the Trustees reviewed the investment strategy and agreed to de-risk, placing more emphasis on risk-reducing assets to lock in the funding gains and reduce funding level volatility.
3	**Expected return on investments**	4.5. The Trustees expect to generate a return, over the long term, in excess of that taken into account in the actuarial assumptions under which the Scheme's funding target has been agreed. It is recognised that, over the short term, performance may deviate significantly from the long-term target. It is further recognised that, by definition, investment performance does not affect DB members' benefit entitlements.	The Trustees review the investment performance on a quarterly basis, based on analysis provided in quarterly monitoring reports by the investment consultant. These reports included a comparison of each manager's performance against their stated performance benchmark and targets, where applicable. In addition, the Trustees also receive and review the quarterly performance reports produced by each investment manager. For the year to 31st March 2023, the Scheme's total portfolio return was -5.8% (net of fees), underperforming the benchmark of -4.7% over the same period.

Investment Mandates

	Policy	Relevant section / policy in the SIP	How the policy has been met over the year to 31st March 2023
4	**Securing compliance with the legal requirements about choosing investments**	In considering the appropriate investments for the Scheme, the Trustees have obtained and considered the written advice of Mercer Limited, whom the Trustees believe to be suitably qualified to provide such advice. The advice received and the arrangements implemented are, in the Trustees' opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).	Over the year, the Scheme invested in hedged and unhedged versions of a climate-aware equity fund with UBS, hedged and unhedged versions of an ESG-focused equity fund with LGIM and an Index-Linked Gilts (Over 5 Years) fund with LGIM. Prior to investing in these vehicles, the Trustees received advice from the investment consultant, deemed consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).
5	**Realisation of Investments**	7.0. The Trustees decide (with advice from their investment managers and/or Investment Consultant) on how investments should be realised for cash to meet Scheme benefits and expenses. Disinvestments may also be made in order to bring the Scheme's asset allocation towards the benchmark allocation and the appropriate source of disinvestments is reviewed on an ongoing basis. Investments into the Scheme are considered on a case-by-case basis. 9.0. The selection, retention and realisation of assets is carried out in a way consistent with maintaining the Scheme's overall strategic allocation and consistent with the overall principles set out in the SIP. In general, the investment managers have discretion in the timing of realisations of investments and in considerations relating to the liquidity of those investments held within each fund.	The Trustees were comfortable that all of the DB assets held at the end of the reporting period, which are invested in pooled funds, were readily realisable under normal market conditions. Post the Scheme year end, a dealing suspension was put in place on the Nuveen Property Fund until December 2023, with an option to extend by 6 months. Recent rises in interest rates have precipitated constrained liquidity and limited buyers in the UK real estate market and so these assets are no longer readily realisable. As at 31st March 2023, the Scheme held c. £5.5m of assets, 3.8% of total assets, in the Nuveen Property Fund. During the year to 31st March 2023, there were no disinvestment actions to meet cash flow requirements. The Trustees receive an administration report on a quarterly basis to confirm that core financial transactions are processed within SLAs and regulatory timelines.

	Policy	Relevant section / policy in the SIP	How the policy has been met over the year to 31st March 2023
6	**Financial and non-financial considerations and how those considerations are taken into account in the selection, retention and realisation of investments**	The risks listed in section 4.1 of the SIP are considered by the Trustees to be 'financially material considerations'. 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. Non-financial matters are not taken into account when determining investment policy. Member views are not actively sought.	The Trustees have identified key investment risks in the SIP. The majority of these risks have been monitored on a quarterly basis by the Trustees through the quarterly reporting from the investment consultant. A strategic assessment of these risks formed part of the investment review the Trustees have undertaken in Q4 2022, which resulted in a de-risking of the Scheme's investment strategy, moving from an allocation of 75% growth / 25% risk-reducing assets into 30% growth / 70% risk-reducing assets. In addition, the Trustees implemented climate-aware equity funds with UBS and ESG-focused equity funds with LGIM (until termination) following a review undertaken in the previous year, contributing to aligning the Scheme's equity holdings with the Trustees considerations on long-term sustainability issues.

Monitoring the Investment Managers

	Policy	Relevant section / policy in the SIP	How the policy has been met over the year to 31st March 2023
7	**Incentivising investment managers to align their investment strategies and decisions with the Trustees' policies**	9.1. A. Investment managers are appointed based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class being selected. The Trustees look to the investment consultant for their forward-looking assessment of a manager's ability to outperform over a full market cycle. This view will be based on the consultant's assessment of the manager's idea generation, portfolio construction, implementation and business management, in relation to the particular investment fund that the Scheme invests in. The consultant's manager research ratings assist with due diligence and questioning managers during presentations to the Trustees and are used in decisions around selection, retention and realisation of manager appointments. If the investment objective of a particular fund changes, the Trustees will review the fund appointment to ensure it remains appropriate and consistent with the Trustees' wider investment objectives. The Scheme's investment mandates are reviewed following periods of sustained tracking error from their respective benchmarks. The Trustees will review the appropriateness of using active and passive managed funds (on an asset class basis) on an ad-hoc basis. As the Trustees invest in pooled investment vehicles, they accept that they have no ability to specify the risk profile and return targets of the manager, but appropriate funds can be selected to align with the overall investment strategy.	The arrangements in place were reviewed regularly over the year through the quarterly monitoring of investment performance. There were no changes to any of the investment managers' fee schedules over the year, with the exception of the new mandates. All of the DB Section investments are made through pooled investment vehicles, and as such the Trustee accepts that it has no ability to specify the risk profile and return targets of the investment manager. However, these funds are selected to align with the overall investment strategy.

	Policy	Relevant section / policy in the SIP	How the policy has been met over the year to 31st March 2023
8	**Incentivising the investment managers to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity**	9.1. B. The Trustees expect investment managers to incorporate the consideration of longer-term factors, such as ESG factors, into their decision-making process where appropriate. Voting and engagement activity should be used by investment managers to discuss the performance of an issuer of debt or equity. The Trustees also consider the Investment Consultant's assessment of how each investment manager embeds ESG into its investment process and how the manager's responsible investment philosophy aligns with the Trustees' responsible investment policy. The Trustees will use this assessment in decisions around selection, retention and realisation of manager appointments.	During the last year, the investment consultant kept the Trustees abreast of any changes to the investment manager ratings (both on the management of the strategy and the ESG ratings) at quarterly Trustee meetings and in the reports received quarterly. As noted above, the Trustees implemented climate-aware equity funds with UBS and ESG-focused equity funds with LGIM (following a review undertaken in the previous year), contributing to align the Scheme's equity holdings with the Trustees considerations on long-term sustainability issues.
9	**Evaluation of the investment manager's performance and the remuneration for asset management services**	9.1. C. The Trustees receive investment manager performance reports on a quarterly basis, which present performance information over various periods. The Trustees review the absolute performance, relative performance against a suitable index used as the benchmark and against the manager's stated tracking error (over the relevant period) on a net of fees basis. If the manager is not meeting their investment objectives for the mandate or the investment objectives have changed, the Trustees may review the fund and consider whether to terminate the mandate, along with reviewing the annual management charge levied by the manager. The remuneration for investment managers used by the Scheme is based on assets under management.	The Trustees' policy on performance evaluation and investment manager remuneration was retained during the year to reflect the requirement. To evaluate performance in respect of the investment managers, the Trustees received and discussed investment reports from the investment consultant on a quarterly basis. The investment managers are remunerated by way of a fee, calculated as a percentage of assets under management.
10	**Monitoring portfolio turnover costs**	9.1. D. The Trustees receive MiFID II reporting from their investment managers but do not analyse the information. The Trustees do not currently monitor portfolio turnover costs in the DB section but may look to do so in the future.	The Trustees' policy on monitoring portfolio turnover costs was retained during the year to reflect the requirement. No action was taken by the Trustees in respect of monitoring portfolio turnover costs across all asset classes over the Scheme year. However, in de-risking the Scheme assets, the Trustees expect portfolio turnover costs to be less material going forward.

	Policy	Relevant section / policy in the SIP	How the policy has been met over the year to 31st March 2023
11	**The duration of the arrangement with the investment manager**	9.1. E. The Trustees are long-term investors and are not looking to change the investment arrangements on a frequent basis. The funds invested in are open-ended funds and therefore there is no set duration for the manager appointments. In the DB section, the Trustees will retain an investment manager unless: • There is a strategic change to the overall strategy that no longer requires exposure to that asset class or manager; • The manager appointment has been reviewed and the trustees have decided to terminate it.	The Trustees' policy on the duration of an investment manager's appointment was retained during the year to reflect the requirement. Investment managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage. During the year, the Trustees appointed LGIM to manage ESG-focused equity funds and an Index-Linked Gilts (Over 5 Years) fund and terminated the BlackRock Diversified Growth fund. In Q4 2022, the Trustees transferred assets held in the BlackRock Diversified Credit fund and the LGIM ESG-focused equity fund to the Index-Linked Gilts fund to implement the de-risking changes agreed following a review of the investment strategy arrangements. In addition, over the year the Trustees moved the Scheme's equity holdings with UBS into climate-aware and ESG-focused vehicles with UBS and LGIM (until termination), respectively. There have been no other changes in managers over the last 12 months. There remains no set duration for the funds used by the Scheme.

	Policy	Relevant section / policy in the SIP	How the policy has been met over the year to 31st March 2023
12	**Undertaking engagement activities in respect of the investments** (including the methods by which, and the circumstances under which, the trustees would monitor and engage with relevant persons about relevant matters)	8.0. As part of the Trustees' ongoing review of their investment managers, they 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 any selection process.	During the year, the investment consultant kept the Trustees abreast of any changes to the investment manager ratings (both on the management of the strategy and the ESG ratings, which represent the extent to which ESG considerations and stewardship are embedded in the managers' investment process). The Trustees reviewed the quarterly investment performance reports, produced by the Scheme's investment consultant, which included manager ratings (both general investment capabilities and ESG specific). The Trustees also undertook an ESG Beliefs session in 2023 which showed their ESG journey, and identified areas to further enhance the Scheme's ESG integration. The majority of the funds employed by the Scheme remained highly rated during the year, although the Trustees recognise there are other managers in each of the underlying strategies' universes which may have a higher rating. Where managers may not be highly rated from an ESG perspective, the Trustees have noted the reasons with the investment consultant. As at the end of the reporting period, the Scheme's strategies were assigned the following ESG ratings by the investment consultant (with ESG4 and ESG1 being the lowest and highest possible scores, respectively): • UBS Climate Aware World Equity (hedged and unhedged): ESG2 • LGIM Future World Equity (hedged and unhedged): ESGp1 (terminated in Q4 2022) • Janus Henderson Multi Asset Credit: ESG2 • Nuveen UK Property: no rating assigned by Mercer. • Janus Henderson Bonds: no rating assigned by Mercer. • BlackRock Buy and Maintain: ESG2 • LGIM Index-Linked Gilts (passive): ESGp2 The Trustees also requested details of relevant engagement and voting activity for the year. Overall, based on this information, the Trustees believe that the investment managers are voting responsibly on their behalf and in line with the Trustees' investment beliefs.

Voting Disclosures

	Policy	Relevant section / policy in the SIP	How the policy has been met over the year to 31st March 2023
13	**The exercise of the rights (including voting rights) attaching to the investments**	8.0. 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 delegated their voting rights to the investment managers and expect their investment managers to engage with investee companies on their behalf. There was no change in this policy during the year and the policy reflects current practice. The Trustees have requested information about key voting activities from their managers during the Scheme year. The information received is summarised in the voting section that follows. Additionally, the Scheme's investment managers engaged with companies over the period under review on a wide range of different issues, including ESG matters. This included engaging with companies on climate change to ensure that investee companies are making progress in this area and better aligning themselves with the wider objectives on climate change in the economy (e.g. those linked to the Paris agreement). The investment managers provided examples of instances where they had engaged with companies they were invested in or about to invest in which resulted in a positive outcome. These engagement initiatives are driven mainly through regular engagement meetings with the companies that the investment managers invest in or by voting on key climate-related resolutions at companies' Annual General Meetings.

Engagement Policy Statement

The Trustees have delegated their voting rights to the investment managers. The SIP states "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.". It is the Trustees' view that the policy has been followed during the Scheme year.

The majority of voting activity will arise in public equity funds. However, voting opportunities may arise in other asset classes such as certain bonds, property, private equity and multi-asset funds ("DGFs"). The Trustees have focused on information relating to public equity funds this year (with BlackRock also providing some information on their DGF).

Establishing beliefs and policies

Section 8 of the SIP sets out the Trustees' policy on ESG factors, stewardship and climate change. This includes the Trustees' beliefs on ESG and climate change and the processes followed by the Trustees in relation to voting rights and stewardship.

Following the DWP's requirements, which came into force on 1st October 2019, the Trustees reviewed and updated the SIP setting out how they take account of financially material considerations, including Environmental, Social and Governance (ESG) considerations, and explicitly climate change. In addition, in line with the requirements, the SIP also includes the approach to the stewardship of the investments and how the Trustees take account (if at all) of member views on 'non-financial matters'.

Ultimately, the Trustees have delegated their voting rights to the investment managers. The SIP states *"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".*

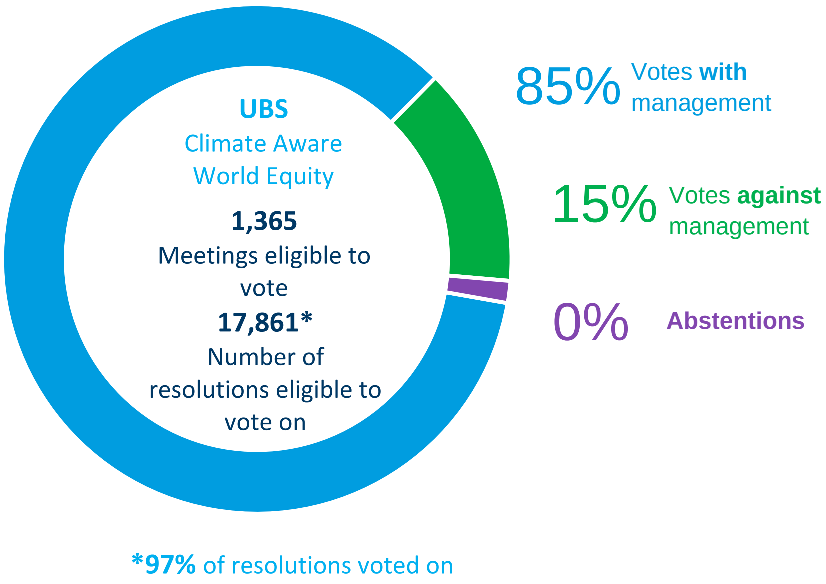
There were no material changes to the beliefs or the policies during the Scheme year covered by this statement. It is the Trustees' view that the policy has been followed during the Scheme year.

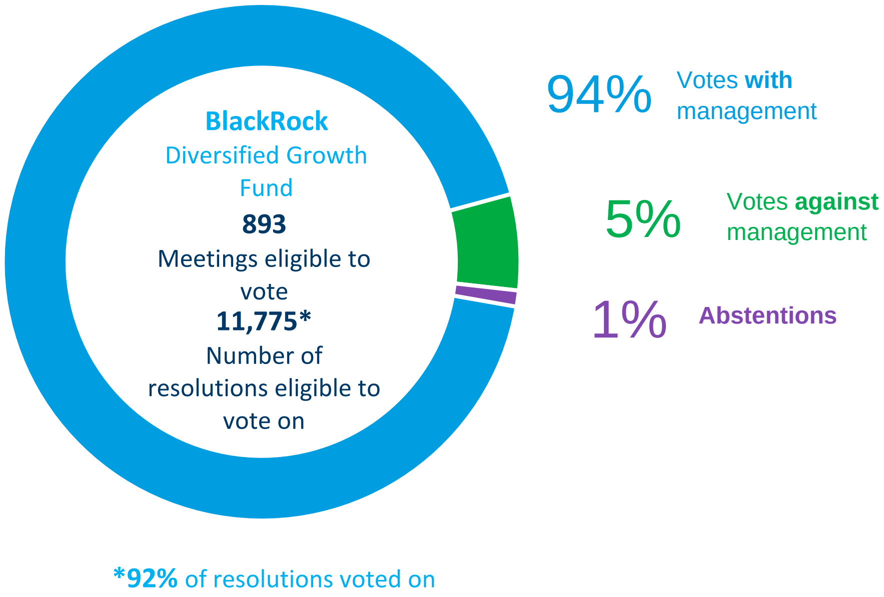
Over the prior 12 months, the Trustees have not actively challenged the managers on their voting activity. The Trustees do not use the direct services of a proxy voter. The underlying managers' use of proxy voting is detailed later in this statement.

Voting activity during the year

Voting activity information from each of the underlying investment managers invested at the Scheme year end (where provided) over the prior 12 months to 31st March 2023 is summarised in the pages that follow. Where fund managers have not been included, this is due to information not being available at the time of finalising this report.

We have been supplied with the following voting activity for the funds used by the Scheme.





Source: Investment Managers.
Figures are subject to rounding.

Use of proxy voting by the manager

The table below sets out the use of proxy voting by investment managers.

Manager	Use of proxy voting
UBS	UBS's proxy voting process is supported by a third-party proxy advisor, Institutional Shareholder Services ('ISS'). ISS is responsible for issuing voting recommendations to UBS based on the investment manager internal proxy voting policy. UBS uses the research and recommendations provided to supplement the assessments undertaken by their stewardship team; UBS does not delegate the voting responsibilities to ISS and retains full discretion when determining how to vote for shares held for clients and funds.
BlackRock	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 with 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. While we subscribe to research from the proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis, it is just one among many inputs into our vote analysis process, and we do not blindly follow their recommendations on how to vote. We primarily use proxy research firms to synthesise corporate governance information and analysis into a concise, easily reviewable format so that our investment stewardship analysts can readily identify and prioritise those companies where our own additional research and engagement would be beneficial. Other sources of information we use include the company's own reporting (such as the proxy statement and the website), our engagement and voting history with the company, and the views of our active investors, public information and ESG research.

Source: Investment Managers.

Sample of signficant votes

Following the DWP releasing a set of implementation requirements in June 2022, the Trustees agreed the following stewardship priorities over the year. These priorities are used to determine the significant votes to be reported on. The requirements focus on material holdings (a company that represented at least 5% of the year-end market capitalisation of any fund in which the Scheme was invested during the majority of the year), in each of the following thematic areas:

- **Climate Change**: including (but not necessarily limited to) low-carbon transition and physical damages resilience;
- **Pollution & natural resource degradation**: including (but not necessarily limited to) air, water, land (forests, soils and biodiversity);
- **Human Rights**: including (but not necessarily limited to) modern slavery, pay & safety in the workforce and supply chains and abuses in conflict zones; and/or
- **Diversity, Equality and Inclusion**: including (but not necessarily limited to) inclusive & diverse decision-making.
- **Energy Efficiency.**

Investment managers are expected to provide voting summary reporting on a regular basis, at least annually. The reports will be reviewed by the Trustees to ensure that they align with the Trustees' policy.

The voting policies of the managers have been considered by the Trustees and the Trustees deem them to be consistent with their own investment beliefs. Over the last 12 months, some of the key voting activity on behalf of the Trustees was undertaken by UBS and BlackRock. A summary of their activity is shown below.

UBS (Climate Aware Global Equity)

Process for determining the most-significant votes

For the purposes of reporting in accordance with guidelines issued by the Pensions and Lifetime Savings Association (PLSA), UBS regarded a significant vote as one where a company received a large vote against a management proposal from all shareholders in aggregate, and where UBS has chosen not to support management.

Significant votes undertaken by UBS in relation to the equity holdings for the 12 months to 31st March 2023

UBS has provided a list of the votes from the top 5 companies held by the Fund over the period which cover the Trustees significant votes. The summary of these and other resolutions are publicly shared in the manager's website. The most significant included votes in resolutions with the following companies.

Company	Date of Vote	Key Topic	How UBS voted	Outcome of Vote
Apple Inc.	10th March 2023	Human Rights	Voted against management on the approval of the Report on Median Gender/Racial Pay Gap as they will support proposals that seek the disclosure of the median pay gap.	Fail
Microsoft Corporation	13th December 2022	Human Rights	Voted with management to refuse Report on Cost/Benefit Analysis of Diversity and Inclusion. Microsoft already provides shareholders with sufficient information to assess its diversity and inclusion efforts.	Fail
Amazon.com, Inc.	25th May 2022	Human Rights	Voted against management on the Commission Third Party Report Assessing Company's Human Rights Due Diligence Process, as the request for additional reporting is reasonable, and would enable shareholders to have a better understanding of the company's approach.	Fail
Alphabet Inc.	1st June 2022	Climate Change	Voted against management on the Report on Physical Risks of Climate Change, as the proposal would enable shareholders to determine the strength of company policy, strategy and actions in regards to climate change.	Fail

Company	Date of Vote	Key Topic	How UBS voted	Outcome of Vote
Alphabet Inc.	1st June 2022	Pollution & natural resource degradation	Voted against management on the Report on Metrics and Efforts to Reduce Water Related Risk, as they will support proposals that seek to promote greater disclosure and transparency in corporate environmental policies as long as: a) the issues are not already effectively dealt with through legislation or regulation; b) the company has not already responded in a sufficient manner; and c) the proposal is not unduly burdensome or overly prescriptive.	Fail

Source: UBS

BlackRock (Diversified Growth Fund)

Process for determining the most-significant votes

The BlackRock Investment Stewardship ("BIS") team prioritises its work around themes that they believe will encourage sound governance practices and deliver sustainable long-term financial performance at the companies in which BlackRock invests on behalf of their clients. BlackRock's year-round engagements with clients, to understand their focus areas and expectations, as well as BlackRock's active participation in market-wide policy debates, help inform these priorities. The themes identified are reflected in the global principles, market-specific voting guidelines and engagement priorities, which underpin their stewardship activities and form the benchmark against which the sustainable long-term financial performance of investee companies is looked at.

Significant votes undertaken by BlackRock in relation to the equity holdings for the 12 months to 31st March 2023

BlackRock publishes "vote bulletins" on key votes at shareholder meetings to provide insight into certain vote decisions that expect to be of particular interest to clients. These bulletins are intended to explain BlackRock's vote decisions relating to a range of business issues including environmental, social, and governance matters that it considered, based on BlackRock's global principles and engagement priorities, material to a company's sustainable long-term financial performance.

BlackRock has provided a list of the 10 most significant votes over the period and we have included those which also cover the Trustees significant votes. The summary of these and other resolutions are publicly shared in the manager's website. The most significant included votes on resolutions for the following companies.

Company	**Date of Vote**	**Key Topic**	**How BlackRock voted**	**Outcome of the Vote**
Rio Tinto Plc	8th April 2022	Climate Change	Voted for the approval of a Climate Action Plan, the vote passed.	Pass
Santos Limited	3rd May 2022	Climate Change	Voted against the approval of Climate-related Lobbying as the request was either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company	Withdrawn
Woodside Petroleum Ltd.	19th May 2022	Climate Change	Voted for the approval of a Climate Action Plan, the vote passed.	Pass
The Home Depot, Inc	19th May 2022	Pollution & natural resource degradation	Voted for the Report on Efforts to Eliminate Deforestation in Supply Chain as the company does not meet our expectations for disclosure of natural capital policies and/or risk.	Pass

Company	Date of Vote	Key Topic	How BlackRock voted	Outcome of the Vote
Amazon	25th May 2022	Human Rights	Voted against a Report on Worker Health and Safety Disparities as the company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures. The vote did not pass.	Fail

Source: BlackRock