

Geo Adams Group Pension Fund

Engagement Policy Implementation Statement for the year ending 30 June 2023

Introduction

The Trustees of the Geo Adams Group Pension Fund (the 'Fund') have a fiduciary duty to consider their approach to the stewardship of the investments, to maximise financial returns for the benefit of members and beneficiaries over the long term. The Trustees can promote an investment's long-term success through monitoring, engagement and/or voting, either directly or through their investment managers.

This statement sets out how, and the extent to which, in the opinion of the Trustees, the policies (set out in the Statement of Investment Principles) on the exercise of rights (including voting rights) attaching to the investments, and engagement activities have been followed during the year ending 30 June 2023. This statement also describes the voting behaviour by, or on behalf of, the Trustees.

The Trustees, in conjunction with their investment consultant, appoint their investment managers to meet specific policies. They expect that their investment managers make decisions based on assessments about the financial (and non-financial performance) of underlying investments, including environmental, social and governance ('ESG') factors, and that they engage with issuers of debt or equity to improve their performance (and thereby the Fund's performance) over an appropriate time horizon.

The Trustees have decided not to take non-financial matters into account when considering their policy objectives.

Stewardship - monitoring and engagement

The Trustees recognise that the investment managers' ability to influence the companies in which they invest will depend on the nature of the investment.

The Trustees acknowledge that the concept of stewardship may be less applicable to some of their assets, particularly for short-term money market instruments, gilt and liability-driven investments. As such the Fund's investments in these asset classes are not covered by this engagement policy implementation statement.

The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage the managers to exercise those rights. The investment managers are expected to provide regular reports for the Trustees detailing their voting activity.

The Trustees also delegate responsibility for engaging and monitoring investee companies to the investment managers and expect the investment managers to use their discretion to maximise financial returns for members and others over the long term.

The Trustees seek to appoint managers that have strong stewardship policies and processes and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020. Details of the signatory status of each investment manager is shown below:

Investment manager	UN PRI Signatory	UK Stewardship Code Signatory
State Street Global Advisors Limited	Yes	Yes
Columbia Threadneedle	Yes	Yes

The Trustees have not set out their own stewardship priorities but follow those of the investment managers.

The Trustees will engage with a manager should they consider that manager's voting and engagement policy to be inadequate or if the voting and engagement undertaken is not aligned with the manager's own policies, or if the manager's policies diverge significantly from any stewardship policies identified by the Trustees from time to time.

If the Trustees find any manager's policies or behaviour unacceptable, they may agree an alternative mandate with the manager or decide to review or replace the manager.

As all the investments are held in pooled vehicles, the Trustees do not envisage being directly involved with peer-to-peer engagement in investee companies.

Investment manager engagement policies

The Fund's investment managers are expected to have developed and publicly disclosed an engagement policy. Those policies, amongst other things, provide the Trustees with information on how the investment managers engage in dialogue with the companies in which they invest and how they exercise voting rights. They also provide details on the investment approaches taken by the investment managers when considering relevant factors of the investee companies, such as strategy, financial and non-financial performance and risk, and applicable social, environmental, and corporate governance aspects.

A link to the investment managers' engagement policies or suitable alternatives are provided in the Appendix.

The policies are publicly available on the investment managers' websites.

The latest available information provided by the investment managers (for mandates that contain public equities or bonds) is as follows:

Engagement	All World ESG Screened Index Equity Sub-Fund	Columbia Threadneedle LDI Counterparties*
Period	01/07/2022 – 30/06/2023	01/07/2022 – 30/06/2023
Engagement definition	Their Asset Stewardship Team has developed their Global Issuer and Stakeholder Engagement Guidelines to increase the transparency of their engagement philosophy, approach and	They define engagement for purposes of their policy as having constructive dialogue with issuers on environmental, social and governance (ESG) risks that could have a material negative impact on their

	processes. This protocol is designed to communicate the objectives of their engagement activities and to facilitate a better understanding of their preferred terms of engagement with their investee companies.	businesses and, where necessary, encouraging improvement in ESG management practices. Our primary driver for engagement is to support long-term investment returns by mitigating risk, capitalising on opportunities linked to ESG factors, and reducing any material negative impact that our investment decisions could have on these factors.
Number of companies engaged with over the year	431	10
Number of engagements over the year	606	11

* We have included Columbia Threadneedle engagement policy in relation to the LDI investments as this is considered most applicable to the Fund

Exercising rights and responsibilities

The investment managers are expected to disclose annually a general description of their voting behaviour, an explanation of the most significant votes cast and report on the use of proxy voting advisers.

The investment managers publish online the overall voting records of the firm on a regular basis.

The investment managers use proxy advisers for the purposes of providing research, advice or voting recommendations that relate to the exercise of voting rights.

The Trustees do not carry out a detailed review of the votes cast by or on behalf of their investment managers but rely on the requirement for their investment managers to provide a high-level analysis of their voting behaviour.

The Trustees consider the proportion of votes cast, and the proportion of votes against management to be an important (but not the only) consideration of investor behaviour.

The latest available information provided by SSgA is as follows:

All World ESG Screened Index Equity Sub-Fund	
Period	01/07/2022 – 30/06/2023
Number of meetings eligible to vote at	6,388
Number of resolutions eligible to vote on	63,967
Proportion of votes cast	96.2%
Proportion of votes for management*	87.5%
Proportion of votes against management*	14.5%
Proportion of resolutions abstained from voting on	1.2%

* Proportion of votes for and against management may not sum to 100%. Explanation provided by SSgA: "Regarding the differences in Voting Statistics percentages for fund HKKJ, a new Voting policy - IVC (Investor Voting Choice) has been implemented starting from Q2 2023, where the fund participants can choose a voting policy and direct the proxy voting on shares owned by the fund. In such multiple voting policies scenario, there is a little overlap between votes based on SSGA Voting policy and votes based on IVC, the reason for some inflated percentage numbers. The fund 'HKKJ - All World Screened Index Equity Sub-Fund' being an IVC participant, has some inflated percentages. A note regarding the same has been added to the Voting Statistics section of PLSA workbook for all the funds, which are IVC participants."

No equivalent information is available for the Columbia Threadneedle LDI in which the Fund invests.

Trustees' assessment

The Trustees have undertaken a review of the investment managers' engagement policies including their policies in relation to financially material considerations.

The Trustees have considered the ESG ratings for the investment managers provided by the investment consultant, which includes consideration of voting and/or engagement activities. This also includes those funds that do not hold listed equities.

If the investment manager has received a relatively low rating from the investment consultant or from other external rating providers, the Trustees will consider whether to engage with the investment manager.

The Trustees have reviewed the investment managers' policies relating to engagement and voting and how they have been implemented and have found them to be acceptable at the current time.

The Trustees recognise that engagement and voting policies, practices and reporting will continue to evolve over time and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020.

Appendix

The link to the Engagement Policies for the investment managers can be found here:

Investment managers	Engagement policy (or suitable alternative)
State Street Global Advisors	https://www.ssga.com/library-content/pdfs/esg-investment-statement.pdf https://www.ssga.com/library-content/pdfs/ic/proxy-voting-and-engagement-guidelines-principles.pdf
Columbia Threadneedle	https://docs.columbiathreadneedle.com/documents/en_responsible_investment_policy.pdf?inline=true

Information on the most significant votes for each of the funds containing public equities is shown below.

SSgA All World ESG Screened Index Equity Sub-Fund	Vote 1	Vote 2	Vote 3
Company name	Microsoft Corporation	Amazon.com, Inc.	Tesla, Inc.
Date of Vote	13 December 2022	24 May 2023	16 May 2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	4.2%	1.9%	1.2%
Summary of the resolution	Assess and Report on the Company's Retirement Funds' Management of Systemic Climate Risk	Advisory Vote to Ratify Named Executive Officers' Compensation	Advisory Vote to Ratify Named Executive Officers' Compensation
How the fund manager voted	Against	Against	Against
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	They do not publicly communicate their vote in advance.		
Rationale for the voting decision	This proposal does not merit support as the company's disclosure and/or practices related to climate change are reasonable.	In the absence of significant concerns, this proposal merits support.	In the absence of significant concerns, this proposal merits support.
Outcome of the vote	N/A	N/A	N/A
Implications of the outcome	Where appropriate they will contact the company to explain their voting rationale and conduct further engagement.		

SSgA All World ESG Screened Index Equity Sub-Fund	Vote 1	Vote 2	Vote 3
Criteria on which the vote is assessed to be “most significant”	Environmental Proposal	Compensation	Compensation

Information on the most significant engagement case studies for funds containing public equities at a firm level is shown below.

SSGA	Case Study 1	Case Study 2	Case Study 3
Name of entity engaged with	Bloomin' Brands, Inc.	ConocoPhillips	Union Pacific Corporation
Topic	Governance	Climate change, methane emissions	Racial Equity and Workforce Diversity Disclosure
Rationale	<p>SSgA hold the view that board members should be re-elected annually as best practice. The annual election structure maximizes director accountability to investors and provides shareholders with regular opportunities to evaluate the board's performance. Philosophically, many investors are aligned as reflected by the first principle of the Investor Stewardship Group's "Corporate Governance Principles for US Listed Companies" which emphasizes that effective board accountability necessitates annual director elections.</p>	<p>In 2022, SSgA initiated a series of targeted engagements with investee companies in the North American oil and gas industry on the topic of methane. The oil and gas industry represents one of the largest contributors to global methane emissions, and investors are increasingly focused on understanding how companies are responding to heightened regulatory, reputational, and financial risks related to methane.</p>	<p>In August 2020, State Street Global Advisors identified the investor need for better workforce diversity information and formally began calling on their investee companies in the United States to publicly disclose their Equal Employment Opportunity (EEO-1) data. Further, they published our "Guidance on Diversity Disclosures and Practices" which outlines their expectations for effective reporting on inclusion and diversity issues more broadly. At Union Pacific Corporation's 2021 annual meeting, the company received two shareholder resolutions which were relevant to its views of diversity disclosure best practice, 1) Report on EEO-1 & 2) Publish Annually a Report</p>

SSGA	Case Study 1	Case Study 2	Case Study 3
<p>What the investment manager has done</p>	<p>At the company's 2020 annual meeting, the board and management of Bloomin' Brands, Inc. recommended that investors vote against a shareholder resolution asking the company to declassify the board. SSgA supported the resolution and prior to the following annual meeting in 2021, engaged with both independent board members and senior management of Bloomin' Brands. During the conversation, SSgA shared their views on governance best practices highlighting the importance of investors' ability to vote for members of the board on an annual basis.</p>	<p>SSgA engaged with ConocoPhillips in Q2 2021 ahead of its AGM on the company's approach to managing GHG emissions, including Scope 3 and methane emissions. They discussed opportunities to enhance methane data quality and measurement-based reporting including joining the Oil and Gas Methane Partnership (OGMP) 2.0, a multi-stakeholder initiative launched by UNEP and the Climate and Clean Air Coalition. OGMP 2.0 provides a comprehensive reporting framework to improve the transparency and quality of methane emissions disclosure in the oil and gas industry. In Q3 2022, they conducted a second engagement with the company to learn about its methane detection, monitoring, and reduction efforts in further detail.</p>	<p>Assessing Diversity and Inclusion Efforts.</p> <p>Prior to the annual meeting, SSgA engaged with senior management and board members of Union Pacific to discuss diversity and inclusion. During the call they explained the need for EEO-1 data and that they would be supporting the proposal in advance of their forthcoming proxy voting policy which would take effect during the 2022 proxy season. Under this policy, if a company in the S&P 500 does not disclose its EEO-1 data, SSgA will vote against the Chair of the Compensation Committee. Due to the lack of EEO-1 data and to emphasize that disclosure was especially needed before they began to take action against board members, they voted 'For' the Report on EEO-1 shareholder resolution. SSgA also discussed that while the company met most of the expectations with in their diversity</p>

SSGA	Case Study 1	Case Study 2	Case Study 3
			<p>guidance, one area that they would like to see disclosed was with regards to the board’s role in oversight of inclusion and diversity. The company made a firm commitment to enhance its diversity disclosure which resulted in us voting ‘Against’ the shareholder proposal to “Publish Annually a Report Assessing Diversity and Inclusion Efforts”.</p>
<p>Outcomes and next steps</p>	<p>At the May 2021 annual meeting, Bloomin’ Brands filed a management resolution to declassify the board of directors and the board directed investors to vote in favor of the proposal. The management resolution calling for annual elections for the board of directors received 77% support from investors and allowed the board to amend the corporate bylaws to eliminate the classified board structure. In the company’s 2022 proxy statement, Bloomin’ Brands disclosed the phasing out of the staggered board structure and</p>	<p>In Q3 2022, ConocoPhillips formally joined OGMP 2.0. The company committed to report methane emissions from both operated and non-operated assets and to incorporate source-level and site-level measurements in line with the OGMP’s guidance. The company also set a new medium-term target to achieve a near-zero methane emissions intensity by 2030. We value the constructive dialogue and responsiveness from ConocoPhillips and intend to continue to engage with the company on its methane emissions</p>	<p>As a result of their engagement and proxy voting, Union Pacific made a number of changes to its diversity disclosure, all which addressed their recommendations:</p> <ul style="list-style-type: none"> • Union Pacific published its first EEO-1 Report in August 2021. • They now provide quarterly workforce reports which are published on their public website. • The company’s 2022 proxy now includes new language around diversity and explicit oversight at the board level; the Compensation and

SSGA	Case Study 1	Case Study 2	Case Study 3
	<p>that the class of directors elected at the current year’s annual meeting will have a one-year term.</p>	<p>management and reporting efforts.</p>	<p>Benefits Committee “reviews and discusses with management the Company’s human capital management activities and diversity and inclusion initiatives”.</p> <p>Their thoughtful engagement and measured use of proxy voting also resonated with the company. In Q3 2021, they were invited to attend and present at a portion of Union Pacific’s quarterly board meeting to build upon meaningful engagement discussions they had with the company in the past. As a result of their multi-year engagement efforts, at the 2022 annual meeting, they were fully aligned with the recommendations of management and did not have to apply their EEO-1 director voting policy. The diversity enhancements were also appreciated by the greater investor community as the company did not have any shareholder resolutions go to vote in 2022.</p>