

IMPLEMENTATION STATEMENT



Goodwood Pension Scheme Implementation Statement for the year ended 31 March 2024

Purpose

This Implementation Statement provides information on how, and the extent to which, the Trustee of the Goodwood Pension Scheme ("the Scheme") has followed its policy in relation to the exercising of rights (including voting rights) attached to the Scheme's investments, and engagement activities 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.

Background

In Q2 2019, the Trustee received training on Environmental, Social and Governance ("ESG") issues from its Investment Adviser, XPS Investment ("XPS") and discussed its beliefs around those issues. This enabled the Trustee to consider how to update its policy in relation to ESG and voting issues which, up until that point, had simply been a broad reflection of the Investment Managers' own equivalent policies. The Trustee's new policy was documented in the updated Statement of Investment Principles dated September 2020.

The Trustee's updated policy

The Trustee believes that there can be financially material risks relating to ESG issues. The Trustee has delegated the ongoing monitoring and management of ESG risks and those related to climate change to the Scheme's Investment Managers. The Trustee requires the Scheme's Investment Managers to take ESG and climate change risks into consideration within their decision-making, recognising that how they do this will be dependent on factors including the characteristics of the asset classes in which they invest.

The Trustee has delegated responsibility for the exercise of rights (including voting rights) attached to the Scheme's investments to the Investment Managers and encourages them to engage with investee companies and vote whenever it is practical to do so on financially material matters including those deemed to include a material ESG and/or climate change risk in relation to those investments.

Manager selection exercises

One of the main ways in which this updated policy is expressed is via manager selection exercises: the Trustee seeks advice from XPS on the extent to which its views on ESG and climate change risks may be taken into account in any future investment manager selection exercises.

During the reporting year, the Trustee agreed to carry out a manager selection exercise for a new active equity mandate for the Scheme. ESG and climate change risks were considered as part of the selection process for the new active equity managers. The Trustee agreed to appoint two active equity managers during the reporting year but implementation of the strategy change was not completed prior to the year end. One of the active equity funds chosen, the Stewart Investors Worldwide Sustainability fund, is one of XPS' recommended sustainable equity funds. This means that the XPS in-house ESG team has designated this fund as taking sustainability as a key consideration within the fund's underlying investment process.

Ongoing governance

The Trustee, with the assistance of XPS, monitors the processes and operational behaviour of the Scheme's Investment Managers from time to time, to ensure they remain appropriate and in line with the Trustee's requirements. Further, XPS will assist the Trustee in ensuring that any selected investment managers reflect the Trustee's views on ESG (including climate change) and stewardship. The Trustee recognises that the level of ESG integration within the investment processes is dependent on the asset class in question. ESG issues are kept under review as part of the quarterly monitoring process and

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the Trustee will communicate its concerns with the Scheme's relevant Investment Managers when, for example, they present at meetings.

During the reporting year, the Trustee agreed to commission a report from XPS on the extent to which ESG considerations are incorporated into the investment processes of the investment manager organisations appointed to the Scheme. The Trustee recognises that the level of ESG integration within the investment processes is dependent on the asset class in question.

One of the areas to be considered by the report is stewardship, which relates to influencing a company in which the Scheme is ultimately invested via the funds held within the Scheme's portfolio. Companies can be influenced through meaningful engagement and using voting rights to drive long term positive change in their policies and practices. The report will rate each investment manager organisation in this area and on ESG matters overall.

Beyond the governance work currently undertaken, the Trustee believes that its approach to, and policy on, ESG matters will evolve over time based on factors including developments within the industry. In particular, whilst the Trustee has not, to date, introduced specific stewardship priorities, it will monitor the results of those votes deemed by the managers to be most significant in order to determine whether specific priorities should be introduced and communicated to the managers. Stewardship and ESG matters are therefore regularly discussed at Trustee meetings.

Adherence to the Statement of Investment Principles

During the reporting year the Trustee is satisfied that it followed its 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. The Scheme has specific allocations to public equities, and investments in equities will also form part of the strategy for the diversified growth funds in which the Scheme invests. Therefore, a summary of the voting behaviour and most significant votes cast by each of the relevant investment manager organisations is shown below. Based on this summary, the Trustee concludes that the Investment Managers have exercised their delegated voting rights on behalf of the Trustee in a way that aligns with the Trustee's relevant policies in this regard.

Whilst the Trustee has not, to date, introduced specific stewardship priorities, they will monitor the results of those votes deemed by the investment managers to be most significant in order to determine whether specific priorities should be introduced and communicated to the manager.

As the Scheme invests in pooled funds, the Trustee acknowledges that they cannot directly influence the policies and practices of the companies in which the pooled funds invest. They have therefore delegated responsibility for the exercise of rights (including voting rights) attached to the Scheme's investments to the investment manager.

This voting information has been provided by the investment managers. The Trustee considers votes to be significant on the basis they are linked to key ESG issues including, but not limited to: climate change; other climate issues such as natural capital; executive remuneration; governance; independence; modern slavery or other factors such as the size of the holding.

The Trustee, with the help of XPS, has considered the information the investment managers have been able to provide on significant voting, and have deemed the below information as most relevant.

Neither XPS nor the Trustee have vetted these votes. These summaries have been provided by the investment managers and any reference to "our", "we", etc, is from the investment manager's perspective. Any opinions contained within do not necessarily reflect the views of the Trustee.

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BlackRock Investment Management

Investment Manager Client Consultation Policy on Voting

BlackRock believes that companies are responsible for ensuring they have appropriate governance structures to serve the interests of shareholders and other key stakeholders. We believe that there are certain fundamental rights attached to shareholding. Companies and their boards should be accountable to shareholders and structured with appropriate checks and balances to ensure that they operate in shareholders' best interests to create sustainable value. Shareholders should have the right to vote to elect, remove, and nominate directors, approve the appointment of the auditor, and amend the corporate charter or by-laws.

Consistent with these shareholder rights, we believe BlackRock has a responsibility to monitor and provide feedback to companies, in our role as stewards of our clients' investments. BlackRock Investment Stewardship ("BIS") does this through engagement with management teams and/or board members on material business issues including environmental, social, and governance ("ESG") matters and, for those clients who have given us authority, through voting proxies in the best long-term economic interests of our clients. We also participate in the public debate to shape global norms and industry standards with the goal of a policy framework consistent with our clients' interests as long-term shareholders.

BlackRock looks to companies to provide timely, accurate, and comprehensive reporting on all material governance and business matters, including ESG issues. This allows shareholders to appropriately understand and assess how relevant risks and opportunities are being effectively identified and managed. Where company reporting and disclosure is inadequate or the approach taken is inconsistent with our view of what supports sustainable long-term value creation, we will engage with a company and/or use our vote to encourage a change in practice.

BlackRock views engagement as an important activity; engagement provides us with the opportunity to improve our understanding of the business and ESG risks and opportunities that are material to the companies in which our clients invest. As long-term investors on behalf of clients, we seek to have regular and continuing dialogue with executives and board directors to advance sound governance and sustainable business practices, as well as to understand the effectiveness of the company's management and oversight of material issues. Engagement is an important mechanism for providing feedback on company practices and disclosures, particularly where we believe they could be enhanced. We primarily engage through direct dialogue but may use other tools such as written correspondence to share our perspectives. Engagement also informs our voting decisions.

BlackRock's approach to corporate governance and stewardship is explained in our Global Principles. These high-level Principles are the framework for our more detailed, market-specific voting guidelines, all of which are published on the BlackRock website. The Principles describe our philosophy on stewardship (including how we monitor and engage with companies), our policy on voting, our integrated approach to stewardship matters and how we deal with conflicts of interest. These apply across relevant asset classes and products as permitted by investment strategies. BlackRock reviews our Global Principles annually and updates them as necessary to reflect in market standards, evolving governance practice and insights gained from engagement over the prior year.

Our Global Principles available on our website at <https://www.blackrock.com/corporate/literature/fact-sheet/blk-responsible-investment-engprinciples-global.pdf>

IMPLEMENTATION STATEMENT (continued)



Investment Manager Process to determine how to Vote

The team and its voting and engagement work continuously evolves in response to changing governance related developments and expectations. Our voting guidelines are market-specific to ensure we take into account a company's unique circumstances by market, where relevant. We inform our vote decisions through research and engage as necessary. Our engagement priorities are global in nature and are informed by BlackRock's observations of governance related and market developments, as well as through dialogue with multiple stakeholders, including clients. We may also update our regional engagement priorities based on issues that we believe could impact the long-term sustainable financial performance of companies in those markets. We welcome discussions with our clients on engagement and voting topics and priorities to get their perspective and better understand which issues are important to them. As outlined in our Global Principles, BlackRock determines which companies to engage directly based on our assessment of the materiality of the issue for sustainable long-term financial returns and the likelihood of our engagement being productive. Our voting guidelines are intended to help clients and companies understand our thinking on key governance matters. They are the benchmark against which we assess a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. We apply our guidelines pragmatically, taking into account a company's unique circumstances where relevant. We inform our vote decisions through research and engage as necessary. If a client wants to implement their own voting policy, they will need to be in a segregated account. BlackRock's Investment Stewardship team would not implement the policy ourselves, but the client would engage a third-party voting execution platform to cast the votes.

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

BlackRock Investment Stewardship prioritizes its work around themes that we believe will encourage sound governance practices and deliver sustainable long-term financial performance. Our year-round engagement with clients to understand their priorities and expectations, as well as our active participation in market-wide policy debates, help inform these themes. The themes we have identified in turn shape our Global Principles, market-specific Voting Guidelines and Engagement Priorities, which form the benchmark against which we look at the sustainable long-term financial performance of investee companies.

We periodically publish "vote bulletins" setting out detailed explanations of key votes relating to governance, strategic and sustainability issues that we consider, based on our Global Principles and Engagement Priorities, material to a company's sustainable long-term financial performance. These bulletins are intended to explain our vote decision, including the analysis underpinning it and relevant engagement history when applicable, where the issues involved are likely to be high-profile and therefore of interest to our clients and other stakeholders, and potentially represent a material risk to the investment we undertake on behalf of clients. We make this information public shortly after the shareholder meeting, so clients and others can be aware of our vote determination when it is most relevant to them. We consider these vote bulletins to contain explanations of the most significant votes for the purposes of evolving regulatory requirements.

Does the manager utilise a Proxy Voting System? If so, please detail

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.

IMPLEMENTATION STATEMENT (continued)



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.

In summary, proxy research firms help us deploy our resources to greatest effect in meeting client expectations

- BlackRock sees its investment stewardship program, including proxy voting, as part of its fiduciary duty to and enhance the value of clients' assets, using our voice as a shareholder on their behalf to ensure that companies are well led and well managed
- We use proxy research firms in our voting process, primarily to synthesise information and analysis into a concise, easily reviewable format so that our analysts can readily identify and prioritise those companies where our own additional research and engagement would be beneficial
- We do not follow any single proxy research firm's voting recommendations and in most markets, we subscribe to two research providers and use several other inputs, including a company's own disclosures, in our voting and engagement analysis
 - We also work with proxy research firms, which apply our proxy voting guidelines to filter out routine or non-contentious proposals and refer to us any meetings where additional research and possibly engagement might be required to inform our voting decision
 - The proxy voting operating environment is complex and we work with proxy research firms to execute vote instructions, manage client accounts in relation to voting and facilitate client reporting on voting.

IMPLEMENTATION STATEMENT (continued)



Voting Information			
BlackRock Aquila Connect European Equity Index			
The manager voted on 82.6% of resolutions of which they were eligible out of 8,623 eligible votes.			
Top 5 Significant Votes during the Period			
Company	Voting Subject	How did the Investment Manager Vote?	Result
Koninklijke Ahold Delhaize NV	Approve Remuneration Report	BlackRock supported the resolution	Resolution passed
BIS supported the advisory vote to approve the 2022 remuneration report, following engagements with company management and members of the board of directors. This recognizes the year-over-year progress that Ahold Delhaize has made in addressing prior shareholder concerns regarding their remuneration policies and related disclosures.			
BE Semiconductor Industries NV	Amend Remuneration Policy	BlackRock supported the resolution	Resolution passed
We recognize the company's enhanced disclosures and responsiveness to shareholder feedback, including BlackRock's, in the past year and voted in support of the 2024 remuneration policy. BIS also supported the discharge of the Supervisory Board to acknowledge this progress and to encourage the company to continue to enhance their remuneration practices to strengthen the alignment between executive pay and company performance.			
BE Semiconductor Industries NV	Approve Discharge of Supervisory Board	BlackRock supported the resolution	Resolution passed
We recognize the company's enhanced disclosures and responsiveness to shareholder feedback, including BlackRock's, in the past year and voted in support of the 2024 remuneration policy. BIS also supported the discharge of the Supervisory Board to acknowledge this progress and to encourage the company to continue to enhance their remuneration practices to strengthen the alignment between executive pay and company performance.			
BE Semiconductor Industries NV	Approve Remuneration Report	BlackRock voted against the resolution	Resolution failed
Poor use of remuneration committee discretion regarding the grant of a one-off award. Remuneration arrangements are poorly structured.			
Holcim Ltd.	Approve Climate Report	BlackRock supported the resolution	Resolution passed
In BIS' view, the climate report warranted support given the Swiss building materials company continued to enhance their climate-related disclosures and delivered on their stated action plan over the past year.			

IMPLEMENTATION STATEMENT (continued)



Voting Information			
BlackRock Aquila Connect Japanese Equity Index			
The manager voted on 100.0% of resolutions of which they were eligible out of 6,075 eligible votes.			
Top 5 Significant Votes during the Period			
Company	Voting Subject	How did the Investment Manager Vote?	Result
Toyota Motor Corp.	Amend Articles to Report on Corporate Climate Lobbying Aligned with Paris Agreement	BlackRock voted against the resolution	Resolution failed
Against shareholder proposal as the proposal will not serve shareholder's interest.			
Mitsubishi Corp.	Amend Articles to Disclose Evaluation concerning Consistency between Capital Expenditures and Net Zero Greenhouse Gas Emissions by 2050 Commitment	BlackRock voted against the resolution	Resolution failed
Against shareholder proposal as the proposal will not serve shareholder's interest.			
Mizuho Financial Group, Inc.	Amend Articles to Disclose Transition Plan to Align Lending and Investment Portfolios with Goals of Paris Agreement	BlackRock voted against the resolution	Resolution failed
The request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company.			
Chubu Electric Power Co., Inc.	Amend Articles to Ban Reprocessing of Spent Nuclear Fuels	BlackRock voted against the resolution	Resolution failed
Against shareholder proposal as the proposal will not serve shareholder's interest.			
Tokyo Electric Power Co. Holdings, Inc.	Amend Articles to Exclude Nuclear Power Generations from Decarbonization Initiatives	BlackRock voted against the resolution	Resolution failed
Against shareholder proposal as the proposal will not serve shareholder's interest.			

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Voting Information			
BlackRock Aquila Connect Pacific Rim Equity Index			
The manager voted on 100.0% of resolutions of which they were eligible out of 3,119 eligible votes.			
Top 5 Significant Votes during the Period			
Company	Voting Subject	How did the Investment Manager Vote?	Result
Santos Limited	Approve the Amendments to the Company's Constitution	BlackRock voted against the resolution	Resolution failed
Shareholder proposals best facilitated through regulatory changes.			
Woodside Energy Group Ltd.	Approve the Amendments to the Company's Constitution	BlackRock voted against the resolution	Resolution failed
Shareholder proposals best facilitated through regulatory changes.			
Techtronic Industries Co., Ltd.	Elect Horst Julius Pudwill as Director	BlackRock voted against the resolution	Resolution passed
Chair of Nomination Committee not independent. Remuneration Committee without majority independence.			
The Hong Kong and China Gas Company Limited	Elect David Li Kwok-po as Director	BlackRock voted against the resolution	Resolution passed
Director responsible for insufficient independence after reclassification. Audit Committee without majority independence. Remuneration Committee without majority independence. The nomination committee is not majority independent. Chair of Audit Committee not independent. Chair of Remuneration Committee not independent			
Whitehaven Coal Limited	Approve the Amendments to the Company's Constitution	BlackRock voted against the resolution	Resolution failed
Shareholder proposals best facilitated through regulatory changes			

IMPLEMENTATION STATEMENT (continued)



Voting Information			
BlackRock Aquila Connect UK Equity Index			
The manager voted on 96% of resolutions of which they were eligible out of 14,770 eligible votes.			
Top 5 Significant Votes during the Period			
Company	Voting Subject	How did the Investment Manager Vote?	Result
Shell Plc	Approve the Shell Energy Transition Progress	BlackRock supported the resolution	Resolution passed
Shell Plc	Request Shell to Align its Existing 2030 Reduction Target Covering the Greenhouse Gas (GHG) Emissions of the Use of its Energy Products (Scope 3) with the Goal of the Paris Climate Agreement	BlackRock voted against the resolution	Resolution failed
The request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company.			
Glencore Plc	Approve 2022 Climate Report	BlackRock voted against the resolution	Resolution passed
We believe this proposal is not in the best interest of shareholders.			
Glencore Plc	Resolution in Respect of the Next Climate Action Transition Plan	BlackRock voted against the resolution	Resolution failed
Proposal is not in shareholders' best interests.			

IMPLEMENTATION STATEMENT (continued)



Voting Information			
BlackRock Aquila Connect US Equity Index			
The manager voted on 99.5% of resolutions of which they were eligible out of 8,024 eligible votes.			
Top 5 Significant Votes during the Period			
Company	Voting Subject	How did the Investment Manager Vote?	Result
The Goldman Sachs Group, Inc.	Report on Climate Transition Plan Describing Efforts to Align Financing Activities with GHG Targets	BlackRock voted against the resolution	Resolution failed
The company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures.			
Marathon Petroleum Corporation	Report on Asset Retirement Obligation	BlackRock voted against the resolution	Resolution failed
The request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company.			
The Kraft Heinz Company	Report on Supply Chain Water Risk Exposure	BlackRock voted against the resolution	Resolution failed
The company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures.			
Phillips 66	Publish Audited Report on Impacts of a Significant Reduction in Virgin Plastic Demand	BlackRock voted against the resolution	Resolution failed
The company already has policies in place to address the request being made by the proposal, or is already enhancing its relevant policies.			
Westlake Corporation	Report on Reducing Plastic Pollution of the Oceans	BlackRock supported the resolution	Resolution failed
Additional information would help shareholders assess investment risks and opportunities related to natural capital, which we deem material to long-term financial results.			

IMPLEMENTATION STATEMENT (continued)



Baillie Gifford Investment Management

Investment Manager Client Consultation Policy on Voting

All voting decisions are made by our ESG team in conjunction with investment managers. We do not regularly engage with clients prior to submitting votes, however if a segregated client has a specific view on a vote then we will engage with them on this. If a vote is particularly contentious, we may reach out to clients prior to voting to advise them of this or request them to recall any stock on loan.

Investment Manager Process to determine how to Vote

Thoughtful voting of our clients' holdings is an integral part of our commitment to stewardship. We believe that voting should be investment led, because how we vote is an important part of the long term investment process, which is why our strong preference is to be given this responsibility by our clients. The ability to vote our clients' shares also strengthens our position when engaging with investee companies. Our ESG team oversees our voting analysis and execution in conjunction with our investment managers. Unlike many of our peers, we do not outsource any part of the responsibility for voting to third-party suppliers. We utilise research from proxy advisers for information only. Baillie Gifford analyses all meetings in-house in line with our ESG Principles and Guidelines and we endeavour to vote every one of our clients' holdings in all markets.

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

- Baillie Gifford's holding had a material impact on the outcome of the meeting
- Management resolutions that receive 20 per cent or more opposition in the prior year
 - Egregious remuneration
 - Controversial equity issuance
- Shareholder resolutions that received 20 per cent or more support from shareholders in the prior year
 - Where there has been a significant audit failing
 - Mergers and acquisitions
 - Where we have opposed the financial statements/annual report
 - Where we have opposed the election of directors and executives
- Where we identify material 'E' 'S' or 'G' issues that result in Baillie Gifford opposing management

Does the manager utilise a Proxy Voting System? If so, please detail

Whilst we are cognisant of proxy advisers' voting recommendations (ISS and Glass Lewis), we do not delegate or outsource any of our stewardship activities or follow or rely upon their recommendations when deciding how to vote on our clients' shares. All client voting decisions are made in-house. We vote in line with our in-house policy and not with the proxy voting providers' policies. We also have specialist proxy advisors in the Chinese and Indian markets to provide us with more nuanced market specific information.

IMPLEMENTATION STATEMENT (continued)



Voting Information			
Baillie Gifford Multi Asset Growth Fund			
The manager voted on 91.5% of resolutions of which they were eligible out of 517 eligible votes.			
Top 5 Significant Votes during the Period			
Company	Voting Subject	How did the Investment Manager Vote?	Result
Montea NV	Amendment of Share Capital	Baillie Gifford supported the resolution	Resolution passed
We supported two proposals which related to the renewal of the authorisation to increase share capital. We believe it is in the interest of shareholders for the company to have unfettered access to equity to enable them to exploit the current window of opportunity of external growth.			
Rexford Industrial Realty, Inc.	Remuneration	Baillie Gifford voted against the resolution	Resolution passed
We opposed the executive compensation policy as we do not believe the performance conditions are sufficiently stretching.			
American Tower Corporation	Appoint/Pay Auditors	Baillie Gifford voted against the resolution	Resolution passed
We opposed the appointment of the external auditor due to concerns with the length of tenure. The existing auditor has been in place since 1989, and we had previously raised this excessive tenure with the company. As no change in auditor has taken place, we chose to oppose.			
Prologis, Inc.	Remuneration	Baillie Gifford voted against the resolution	Resolution failed
We opposed executive compensation because we do not believe the performance conditions for the long term incentive plan are sufficiently stretching.			
Rexford Industrial Realty, Inc.	Remuneration	Baillie Gifford voted against the resolution	Resolution passed
We opposed the executive compensation policy as we do not believe the performance conditions are sufficiently stretching.			

IMPLEMENTATION STATEMENT (continued)



Columbia Threadneedle Investments

Investment Manager Client Consultation Policy on Voting

Generally, we feel that voting consistently across our clients' holdings gives them greater influence to effect positive change. We think carefully about how we vote, be that through execution of our Corporate Governance guidelines, or in discussion with portfolio managers on higher profile or more complex resolutions.

We can, however, accommodate clients' requests to vote on resolutions in a manner different to our policies, when they are invested in a segregated mandate.

Clients who wish to monitor voting decisions outside the normal reporting cycle can receive a preview of voting intentions for their portfolio. Alternatively, clients can be granted access to our voting platform on a read-only basis. For high-profile issues, we can pro-actively advise our clients on our intention to vote well in advance of the meeting. Our clients then have the option to state their preference and vote differently.

To ensure transparency, clients receive detailed vote reports including comments on resolutions where we do not support management. Vote reports are publicly available online the day after each shareholder meeting. Finally, annual vote statistics, case studies and other highlights are published on our website in our Stewardship Report.

We continue to investigate technology solutions to enable clients in pooled funds to express their voting intentions.

Investment Manager Process to determine how to Vote

Our expectations of corporate governance standards at investee companies are embodied in our Global Corporate Governance Guidelines, which have been thoughtfully designed by our Corporate Governance Team, who specialise by market and/or region. These guidelines are translated into detailed proxy voting policies, including 25 market/regional variations that take into consideration local legal and regulatory environments as well as local codes of best practice and domestic investor expectations. We partner with ISS to consistently implement our bespoke voting approach. The policies are underpinned by the following principles of good corporate governance:

- an empowered and effective board and management team
- appropriate checks and balances in company management structures
- effective systems of internal control and risk management covering all significant issues, including corporate responsibility
- a commitment to promoting a culture of transparency and accountability throughout the company that is grounded in sound business ethics; and
- remuneration policies that reward the creation of long-term shareholder value through the achievement of corporate objectives.

In certain cases, vote decisions are arrived at through consultation with our investment teams. Controversial or high-profile meetings may be escalated to the Proxy Working Group, which contains representatives from each part of Columbia Threadneedle's business.

Our engagement activities and voting process consistently reinforce each other, and may include:

- Active engagement with key companies ahead of the vote
- After voting, we actively inform companies of the reasons for voting against or abstentions

Consultation with companies on voting other ESG matters outside of shareholder meetings.

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

For the purposes of this report, significant votes are selected based on one or more of the following criteria:

- Materiality of issues and the impact on shareholder value

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- Votes against the recommendation of the Board
- Value/size of the shareholding relative to the total portfolio
- The materiality of the vote to engagement outcomes
 - Size of holdings in the company

Does the manager utilise a Proxy Voting System? If so, please detail

We deploy our specialist corporate governance team on the most complex and sensitive cases, while voting on more routine, straightforward votes are cast using the proxy voting platform of Institutional Shareholder Services, Inc. (ISS) who also provide recordkeeping and vote disclosure services.

We have also retained Glass, Lewis & Co., IVIS (in the UK) and ISS to provide proxy research services, similar to sell-side or broker research, to ensure quality and objectivity in connection with voting client securities. Other internal and external research is used to support vote decisions as appropriate.

IMPLEMENTATION STATEMENT (continued)



Voting Information			
Columbia Threadneedle Dynamic Real Return Fund			
The manager voted on 99% of resolutions of which they were eligible out of 4,988 eligible votes.			
Top 5 Significant Votes during the Period			
Company	Voting Subject	How did the Investment Manager Vote?	Result
Amazon.com, Inc.	Report on Impact of Climate Change Strategy Consistent With Just Transition Guidelines	Columbia Threadneedle supported the resolution	Resolution failed
Shareholders would benefit from more disclosure on whether and how the company considers human capital management and community relations issues related to the transition to a low-carbon economy as part of its climate strategy. We are supportive of requests to enhance disclosure and transparency concerning climate risk so long as the resolution does not directly circumvent management discretion or seek to entirely redefine the company's existing business strategy. To meet the ambition of the Paris Agreement and avoid massive risk to shareholder value, corporations should demonstrate the nexus between their climate aspirations and business strategy via disclosure of credible Paris- or 1.5 degree-aligned emissions reduction targets. Current disclosure does not sufficiently provide investors such information.			
Shell Plc	Request Shell to Align its Existing 2030 Reduction Target Covering the Greenhouse Gas (GHG) Emissions of the Use of its Energy Products (Scope 3) with the Goal of the Paris Climate Agreement	Columbia Threadneedle abstained from voting	Resolution failed
Whilst we appreciate the progress made by the company and engagement to date, we feel abstaining is the best option to recognise this progress whilst retaining our position that we would prefer to see greater movement towards full Paris alignment in the coming years.			
The Walt Disney Company	Report on Political Expenditure	Columbia Threadneedle abstained from voting	Resolution failed
While we generally agree with the sentiment of this proposal, it appears the company provides reasonable disclosure of its political donations and we are encouraged by the recent efforts to increase transparency on this issue.			
Microsoft Corporation	Report on Risks of Operating in Countries with Significant Human Rights Concerns	Columbia Threadneedle abstained from voting	Resolution failed
The company faces risks related to human rights in its global operations. Good practice includes disclosing further information regarding the human rights assessment process along with a narrative on how impacts are monitored and effectively mitigated.			

IMPLEMENTATION STATEMENT (continued)



TotalEnergies SE	Align Targets for Indirect Scope 3 Emissions with the Paris Climate Agreement (Advisory)	Columbia Threadneedle supported the resolution	Resolution failed
We are supportive of requests to enhance disclosure and transparency concerning climate risk so long as the resolution does not directly circumvent management discretion or seek to entirely redefine the company's existing business strategy. To meet the ambition of the Paris Agreement and avoid massive risk to shareholder value, corporations should demonstrate the nexus between their climate aspirations and business strategy via disclosure of credible Paris- or 1.5 degree-aligned emissions reduction targets. Current disclosure does not sufficiently provide investors such information.			

Where managers have provided a list of more than 5 votes, XPS have narrowed this down by ignoring arguably more trivial votes based on our discretion. The resulting votes displayed are XPS' attempt to show 'significant votes' however this may not capture everything of a significant nature.

Signed: _____, Chair of Trustee

Date: _____