



Implementation Statement

Creative Pension Trust | Creative Auto Enrolment Pension



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1. INTRODUCTION

This Implementation Statement (the “Statement”) has been prepared by PAN Trustees UK LLP, Roger Mattingly, Robert Branagh and BESTrustees Limited (together the “Trustees”), as the Trustees of Creative Pension Trust (the “Scheme”) in consultation with Lane Clark & Peacock LLP (the “Investment Adviser”) and Creative Auto-Enrolment Limited (the “Scheme Sponsor & Manager”). This Statement relates only to section 1 of the Scheme known as Creative Auto Enrolment Pension (“CAEP”).

The Trustees of the Scheme are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed their Statements of Investment Principles (“SIP”) in force during the year to 31 March 2024 (the “Scheme Year”), as well as details of any review of the SIP during the Scheme Year, subsequent changes made with the reasons for the changes, and the date of the last SIP review. Information is provided on the last review of the SIP in Section 2 and on the implementation of the SIP in Sections 3-11 below.

This Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, the Trustees (including the most significant votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during the Scheme Year. This is provided in Section 10 below.

The latest version of the Scheme’s Implementation Statement can be found on the Scheme website: <https://www.creativebenefits.co.uk/creative-pension-trust/about/#implementation-statements>.

This Statement is based on the Scheme’s SIP dated February 2023 between 1 April 2023 and 14 October 2023, and SIP dated October 2023 between 15 October 2023 and 31 March 2024 (together the “SIPs”). This Statement should be read in conjunction with the latest SIP which members can view on the Scheme website, using the link above or within the Document section of their [Member Portal account](#).

The Scheme is a money purchase arrangement, which is also known as a defined contribution arrangement meaning that the pension savings by members and their employers are invested to build up savings to provide retirement benefits. The amount of investment growth on those savings is likely to have a significant effect on the value of members’ retirement benefits.

This Statement is produced to meet the requirements of the Occupational Pension Schemes (Investment) Regulations 2005 (as amended), the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018, the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019, the guidance on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions (“DWP”) in June 2022 and any and all other relevant legislation and regulations.

The Trustees have obtained written advice from their Investment Adviser on the CAEP investment strategies and the production of this Statement.

In 2022, Creative Pension Trust and Creative, sponsor of Creative Pension Trust, became part of the Cushon Group. Cushon Group owns national workplace pension schemes including the Cushon Master Trust.

During the Scheme Year the Trustees decided to update the default investment strategy for CAEP to be the Cushon Core investment strategy, as this was deemed to be in the best interest of members. At the same time the self-select investment options for members were also changed. As a result, the CAEP investment strategy changed in October 2023 and the assets were

transferred from the Scottish Widows Limited platform (the “former Investment Provider”) to the Mobius Life Limited platform (the “current Investment Provider”).

The CAEP assets were invested via the former Investment Provider until 13 October 2023. On 19 October 2023, the transition of assets to the current Investment Provider to the Cushon Core investment strategy and self-select range was completed. From this point to 31 March 2024, the assets were invested via Mobius Life Limited.

2. SUMMARY

The SIP was updated in October 2023 to take account of the new investment strategy, including changes to the default objective, fund range available to members and the responsibilities of the Investment Provider and the fund managers (the “Fund Managers”) as a result. It also provided more information on how the Trustees have shared their stewardship priorities with the Fund Managers and the Trustees’ policy on illiquid assets.

The SIP was updated again following the Scheme Year end, in April 2024, to take account of feedback from the current Investment Provider, mainly related to how the new Investment Provider invests in collective investment funds. Therefore, the SIP currently in force and available online is at April 2024.

Please see the following sections of this Statement for more details, including the Voting and Stewardship section for details of voting activity and most significant votes. The voting and engagement policies in the SIP were reviewed and updated during the Scheme Year as part of the changes made for the SIP dated October 2023.

The Trustees believe they, and their Investment Adviser, Investment Providers (former and current) and Custodians (former and current), have complied with the policies in the SIPs during the Scheme Year.

The Trustees monitored the investments for CAEP members over the Scheme Year. Most investment funds within the new investment strategy, which the members are now invested in, performed broadly in line with, or ahead of their respective benchmarks or performance targets over the Scheme Year. The Trustees are satisfied that the investment funds continue to perform as expected given the wider macroeconomic environment.

3. GOVERNANCE

The Trustees of the Scheme are responsible for the investment of the Scheme’s assets. The Trustees take some decisions themselves and delegate others. When deciding which decisions to take themselves and which to delegate the Trustees have considered whether they have the appropriate expertise and access to training and advice in order to make an informed decision.

Training

During the Scheme Year, the Trustees undertook collective training provided by their Investment Adviser on the following topics: -

- Scope 3 carbon emissions: this training explained how scope 3 carbon emissions are calculated using an example of a specific company. It also helped the Trustees better understand the challenges with the existing methods for calculating scope 3 emissions.
- Portfolio alignment: this training provided a description of the different portfolio alignment metrics used within the industry and how these are calculated. This session also focused on the issues with the current calculation methodologies for portfolio alignment.

- Implementation Statement requirements: this training provided an update on DWP's then-new regulations regarding stewardship and the process for identifying significant votes as part of the drafting of the Implementation Statement.
- Biodiversity: this training provided an introduction to biodiversity considerations for investing and the Taskforce on Nature-related Financial Disclosures. It also focused on current industry trends and possible steps the Trustees could take to consider biodiversity risks.
- Social factors: this training focused on the importance of social factors for the Scheme and provided an update on the draft guidance from the Taskforce on Social factors.

To maintain and update Trustee Knowledge and Understanding, the Trustees received and reviewed information from their Investment Adviser and the former and current Investment Providers throughout the Scheme Year relevant to the Scheme's investment strategy, as well as completing individual Continuous Professional Development ("CPD") on related investment issues (such as responsible investment, climate change and governance requirements).

Trustees' monitoring and review

The Trustees conduct regular (at least quarterly) monitoring of the Scheme's investment strategy in line with the Trustees' Annual Business Planner.

In May 2023, the Investment Adviser reviewed and provided advice to the Trustees on changes to the CAEP investment strategy. This review included comparison of the previous and proposed default investment strategies, self-select fund ranges, charges, and ESG and climate integration. Forward looking modelling to assess the impact of the investment strategy changes on the Scheme's members was also conducted, and consideration was given to the variety of ways that members may draw their Scheme benefits in retirement. The review also considered whether the strategies were appropriately diversified between different asset classes and that the new self-select options provide a suitably diversified range to choose from.

In relation to the default investment strategy, the review concluded that a drawdown target for the proposed strategy, the Cushon Core investment strategy, was appropriate for members based on member demographics. The de-risking glidepaths were reviewed and it was concluded that the higher investment risk exposure of the new default investment strategy would allow members to benefit from the opportunity of higher growth over the longer term. The Trustees also considered whether the strategies were appropriately diversified between different asset classes. Based on the outcome of this analysis, the Trustees concluded that the Cushon Core investment strategy was designed to be in the best interests of the majority of members.

In relation to the self-select fund range, which the Trustees provide members access to, enable appropriate diversification, it was concluded that the new investment strategy would provide a more diverse selection of funds across various asset classes, including a number of ESG funds.

On 19 October 2023, the transition of assets from the previous investment strategy to the new investment strategy was completed. The new investment strategy is set out in the appendices of the SIP. The new investment strategy integrates climate and ESG more broadly. Please see section 9 for more details on this.

The Trustees also received and reviewed quarterly investment update reports and presentations from their Investment Adviser during the Scheme Year.

A representative of the Trustees' Investment Adviser attended all ordinary quarterly Trustees' investment meetings during the Scheme Year to present information, provide guidance and advice and take any instructions in relation to the Scheme's investment strategy.

Monitoring and review of Investment Adviser, Investment Provider, Custodian and Scheme Administrator

During the Scheme Year, in June 2023, the Trustees reviewed the performance of their Investment Adviser against pre-agreed objectives, set in line with the Competition & Markets Authority (“CMA”) Investment Consultancy and Fiduciary Management Market Investigation Order 2019 and from 1 October 2022 in line with the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (the scheme administration regulations). This assessment covered the performance over the previous 12 months.

The governance processes in place have allowed the Trustees to review the performance of the former Investment Provider, the current Investment Provider and their Custodians, formerly the State Street Bank & Trust Company and currently the Northern Trust Company (the “Custodians”), during the Scheme Year. The Northern Trust Company is the Custodian for assets invested in Macquarie True Index only.

The Trustees expect the current Investment Provider to manage the assets delegated to it under the terms of its contract and agreements and to give effect to the principles in the SIP as far as is reasonably practicable. The Trustees’ Investment Adviser therefore issued a copy of both the SIPs to the former and current Investment Providers for comment and feedback and to seek a statement of compliance with the SIP from the Investment Provider. The current Investment Provider acknowledged receipt of the SIPs and has confirmed compliance with the SIP over the Scheme Year. The former Investment Provider did not provide comment but the Trustees were not made aware of any area of non-compliance over the Scheme Year.

The Trustees also monitor the performance of the Scheme administrator in relation to the investment and disinvestment of assets with the Investment Provider. During the Scheme Year, with the aid of a quarterly administration report presented by a representative of the Scheme administrator, the Trustees reviewed the performance of the Scheme administrator at each ordinary quarterly Trustees’ meeting. The Trustees found that the Scheme administrator had failed to consistently perform in line with pre-agreed Service Level Agreements (“SLAs”) during the Scheme Year. Overall, the Trustees agreed the SLAs remained appropriate and the Scheme administrator’s performance against the SLAs in respect of investments and disinvestments had been inconsistent during the Scheme Year, particularly regarding the disinvestment of assets.

4. INVESTMENT STRUCTURE

As set out in the Governance section of this Statement, the Trustees are responsible for setting the overall investment strategy for the Scheme, including the structure of the default investment strategy and selection of the other self-select investment options for members. However, during the Scheme Year the Trustees delegated the day-to-day management of the Scheme assets to the former and current Investment Providers.

In May 2023, the Investment Adviser provided advice on the existing and proposed investment strategies and self-select fund ranges as part of the change in investment strategy following proposals made to the Trustees by Cushon Group Limited. This included detailed views on ESG integration and the selection of self-select ESG funds available under the proposed investment strategy. The Trustees were comfortable with the funds which members’ assets were being transferred to, and the assets were transferred to the current Investment Provider in October 2023.

The new investment strategy, which updated both the default investment strategy and the self-select fund range, integrates climate and ESG more broadly, increases climate risk hedging of the strategy, and manages the strategy with an aim to reduce scope 1 and 2 carbon emissions by 80% by 2030. The investment strategy has also been designed in the best financial interests of members increasing exposure to climate-related opportunities. The Trustees are satisfied that

the ESG credentials of the strategy will be beneficial for the Scheme and reduce exposure to climate change risk.

Prior to the new strategy being implemented, the Scheme's assets were invested in pooled investments via a written agreement with the former Investment Provider. The pooled investments were held in single priced unit linked funds that were priced and tradable each working day, and the Trustees did not hold any direct investments.

Following the change in investment strategy, the assets are invested via an insurance contract with the current Investment Provider. The current Investment Provider invests in pooled collective investment funds, other unitised life funds via reinsurance contracts, and direct investments managed in a segregated portfolio by a Fund Manager appointed by the Trustees. The Custodian holds the direct investments on the Investment Provider's behalf. The assets continue to be invested via the Investment Provider, however, the Trustees, with support from the Cushon Group Limited Investment Office (the "Cushon Investment Office") and advice from their Investment Adviser, are responsible for setting and reviewing the asset allocation as well as selecting the Fund Managers.

The funds are part of an insurance contract to take full advantage of the tax exemptions available to such contracts as well as providing security for members.

As part of the updates for the SIP dated October 2023, changes were made to it in relation to the day-to-day management of assets to reflect the structure in place with the current Investment Provider. There were no deviations from the conditions set out in the SIPs or terms of agreements with the Investment Providers and Custodian during the Scheme Year.

The Trustees, together with their Investment Adviser, monitor the financial strength of the relevant Investment Provider and Custodian on at least an annual basis using independent credit rating agencies and their ratings. There was no deterioration in the credit ratings for either of the Investment Providers or the Custodian during the Scheme Year. The Trustees remained comfortable with the financial strength of the relevant Investment Provider and the security of the Scheme assets during the Scheme Year.

The Trustees' Investment Adviser reviews the Investment Provider as part of their ongoing research and flags any significant news as part of quarterly performance reports. Over the Scheme Year, there had been no significant changes in the offering of the Investment Providers.

The Trustees undertook a "value for members" assessment in August 2024 for the Scheme Year to 31 March 2024 which assessed a range of factors, including the investment costs and charges, which were found to be reasonable when compared against schemes with similar sizes of mandates.

5. INVESTMENT OBJECTIVES

The Trustees' key objectives are to enable members to build up retirement savings to secure appropriate retirement benefits while being exposed to an acceptable level of investment risk. In order to achieve that, the Trustees have established the default investment strategy as well as self-select investment options.

Prior to transition to the new investment strategy in October 2023, the objective of the default investment strategy was to provide long term returns above wage inflation, as measured by the Average Weekly Earnings ("AWE") Index, after charges, with gradual automatic switching into lower risk investments over the 15 year period up to the Scheme Normal Retirement Age ("NRA"), or alternative member selected retirement age.

Following the transition to the new investment strategy from October 2023, the objective of the default investment strategy, the Cushon Core investment strategy, is to provide a long term net

return objective equal to the Consumer Prices Index (“CPI”) plus 3.5% per annum over rolling 5-year periods in the growth phase, with gradual automatic switching into lower risk investments over the 7-year period up to the Scheme’s Normal Retirement Age (“NRA”) or alternative member selected target retirement age (known as “lifestyling”). During the de-risking, or pre-retirement, phase the Cushon Core investment strategy has a long term net return objective equal to CPI plus 1.5% per annum over rolling 5-year periods.

As part of the investment strategy advice in May 2023, the Trustees reviewed the performance and lifestyling approach for the default investment strategy. As mentioned in Section 3 of this Statement, the review concluded that the new default investment strategy, the Cushon Core investment strategy, was deemed to be suitable for the majority of Scheme members.

The Trustees also provide members with access to a range of investment options, the self-select options, which they believe are suitable for this purpose and enable appropriate diversification. The objective of these self-select options is to accommodate members who decide the default investment strategy is not appropriate for them. This can allow them to manage their pension investments at an alternative risk level and/or in line with religious or ethical considerations, with alternative levels of member engagement and targeting alternative retirement outcomes while maintaining a simple-to-understand range of investment choices.

Each self-select fund has its own objective agreed by the Trustees. Over the Scheme Year, prior to the transition to the new investment strategy, there were no significant changes made to the aims and objectives of the self-select options offered via the former Investment Provider. However, as the self-select options changed following the transition to the current Investment Provider, new fund options with different objectives were put in place. In respect of individual objectives of the self-select options in place during the Scheme Year, the funds have performed in line with their stated objectives.

As part of the investment strategy advice in May 2023, the proposed self-select options under the new investment strategy were reviewed. It was concluded that the new self-select options were suitable for Scheme members and appropriately diversified.

The Trustees monitor the take up of the self-select options which, prior to the transition, was limited. As part of the transition, only those members who had pre-selected a new self-select option in the new range prior to the transition were transferred to funds within the new self-select fund range while members who were either previously invested in the default investment strategy or did not make a selection within the new self-select range were moved to the new default, the Cushon Core investment strategy.

6. RISKS

The Trustees are required to assess the investment risks to the Scheme’s assets, including measurement of those risks. In doing this the Trustees aim to take account of the members’ circumstances.

The Trustees monitor the risks on an ongoing basis. Every quarter they evaluate these risks, drawing upon insights from their Investment Adviser.

As part of the update for the SIP dated October 2023, changes included the default objective, the fund range available to members and the responsibilities of the Investment Provider and Fund Managers, and the Trustees’ policy on illiquid assets. Changes were also made to investment risks to the Scheme’s assets to reflect the change in investment strategy and the funds used in the new arrangements. These included risks in relation to members’ term to retirement given the change in the lifestyle period of the default investment strategy, pension conversion risk given the change in retirement outcome target, and inflation risk given the new funds in place.

Following the Scheme Year end, further updates were made to the SIP in April 2024 but no changes were made to investment risks to the Scheme's assets.

Given these procedures and actions, the Trustees believe they have effectively monitored and managed the risks in accordance with the SIP throughout the Scheme Year.

Operational Risk – The Trustees were comfortable with the operation of their Investment Adviser, Investment Providers and Custodians (for the relevant appointment periods), Scheme administrator and other service providers in relation to the management of the Scheme's investment strategy throughout the Scheme Year and continued to have confidence in each service provider in that respect. As noted in section 3, performance issues with the Scheme administrator have been identified in relation to processing transfers, death cases, retirements and complaints. The Trustees noted no material service failure in respect of the Scheme's assets.

The Trustees have also confirmed that the relevant service providers have the appropriate qualifications, experience, authorisations and are regulated by relevant authorities such as the Financial Conduct Authority (FCA) and/or Prudential Regulation Authority (PRA) where appropriate.

7. DAY-TO-DAY MANAGEMENT OF ASSETS

During the Scheme Year, the Trustees have taken steps to ensure that the Fund Managers, Investment Providers (over the relevant appointment period) and the Custodian have the appropriate experience and expertise for managing the Scheme's investments and they are carrying out their work competently and concluded that has been the case.

Following the change in the investment strategy, Fund Managers' duties also include voting and corporate governance in relation to the Scheme's assets, which was previously a duty of the Investment Provider who could further delegate it to Fund Managers.

The Trustees believe that they, and the Fund Managers and Investment Providers, to the extent delegated, have paid due regard to the criteria for investment set out in the Occupational Pension Schemes (Investment) Regulations 2005 (regulation 4) in the selection of investments during the Scheme Year.

Incentivisation

The Investment Provider and Fund Managers are remunerated on a percentage charge basis related to the amount of assets under management. The Trustees are satisfied that this remains appropriate.

Following the change in the investment strategy, all the Scheme's assets are now held in pooled funds which means the Trustees have limited influence over Fund Managers' investment practices. The Trustees encourage the Fund Managers to improve their practices within the parameters of the funds they are managing. The Trustees' view is that the fees paid to the Fund Managers, and the possibility of their mandate being terminated, ensure they are incentivised to provide a high quality service that meets the stated objectives, guidelines, and restrictions of their fund.

Portfolio Turnover Costs

Portfolio turnover costs are those that result from the buying and selling of assets within each investment option.

The Trustees' Investment Adviser, on behalf of the Trustees, has requested portfolio turnover costs for each Scheme mandate (fund) from the Investment Provider after the end of the Scheme

Year. The Investment Provider was unable to provide that information and therefore the Trustees have reviewed the total transaction costs instead, which are disclosed in the Trustees' Annual Statement regarding governance for the Scheme Year. The Investment Adviser does review portfolio turnover and the associated costs when it undertakes its research on the Scheme's funds and has not raised any concerns with the Trustees during the Scheme Year.

The Trustees are satisfied that the transaction costs for each of the Scheme funds have remained within an acceptable range during the Scheme Year.

8. REALISATION OF ASSETS

It is the Trustees' policy to consider liquidity of the investments in the context of the likely needs of members when selecting the funds for use within the investment strategy.

The Trustees are not aware of any incidents during the Scheme Year that have prevented the Scheme assets held with the Investment Providers from being realised as required during the Scheme Year.

All of the Scheme funds have remained open and tradable on a working daily basis during the Scheme Year. However, there was a 'blackout' period from 25 September 2023 to 20 October 2023 when normal transactions could not be processed while the changes to the investment strategy were completed.

The realisation of assets within each Scheme fund is delegated to the Scheme administrator. The Trustees are not aware of any incidences of delays to, or issues with, the realisation of assets by the Investment Providers during the Scheme Year.

9. ENVIRONMENTAL SOCIAL AND GOVERNANCE (ESG) INVESTMENT POLICY

The Trustees have set out their ESG Investment Policy in the SIP. The Trustees reviewed their ESG Investment Policy for the SIP dated October 2023 to reflect changes to the monitoring and engagement with the Fund Managers following the change in investment strategy. The Trustees' Investment Beliefs and ESG Strategy document was last updated in December 2023 and is complementary to the SIPs. The updates made as part of the review included expanding on their beliefs regarding exclusions of companies as part of ESG policy and also included the ambition for the Scheme's investments to be net zero, in relation to scope 1 and 2 emissions, by 2050.

The Trustees are satisfied that the Investment Adviser and the Investment Providers, for their relevant period of appointment, have complied with the SIPs during the Scheme Year.

While the Trustees have stated a preference for passive investment mandates, they note that this may not be appropriate for all asset classes. Therefore, in some cases, the Trustees will utilise active investment options, such as in the case of the CPT Cushon Global Bonds Core and Cushon Global Impact funds.

When reviewing their ESG Investment Policy during the Scheme Year, the Trustees made no change to their definition of the 'appropriate time horizon' for the Scheme when assessing and managing ESG associated risks, which remains the median average term to the Scheme's Normal Retirement Age for members. The Trustees believe they have appropriately taken that into consideration when reviewing the investment strategy for the Scheme during the Scheme Year. The new investment strategy integrates climate and ESG more broadly, and also aims to reduce scope 1 and 2 carbon emissions by 80% by 2030, which the Trustees believe will help in achieving its climate change commitments.

The Trustees' Investment Beliefs and ESG Strategy is considered by the Trustees' Investment Adviser in the selection and retention of Fund Managers, and for engagement with the Fund

Managers on relevant ESG issues. Furthermore, it is used to guide the Investment Adviser in its approach to reviewing, advising and reporting on the Scheme's investment strategy, and the ESG and stewardship policies of the Fund Managers.

As stated in the SIP the Trustees have a preference for engagement activity to bring about positive changes in relation to the Scheme's investment strategy. The Trustees have delegated more regular engagement activity with the Fund Managers to their Investment Adviser during the Scheme Year.

The Trustees continue to focus primarily on financially material ESG considerations. However, the Trustees have also considered non-financial factors in the selection and retention of the self-select investment options available to members with advice from their Investment Adviser. The inclusion of the CPT Cushon Shariah and CPT Cushon Global Impact funds within the self-select options for members is evidence for the Trustees' assessment of preferences for some members of the Scheme.

The Trustees and the Scheme Sponsor & Manager announced on 4 August 2021, the following net zero commitments: -

- **ZeroByFifty** – For the Scheme to achieve net zero status on scope 1 and 2 carbon emissions for all member investments under management by 2050
- **FiftyByThirty** – For the Scheme to achieve a 50% reduction on scope 1 and 2 carbon emission for all member investments under management by 2030

The Trustees also note that the current Investment Provider has a similar commitment to reduce its carbon footprint by 50% by 2030 and to reach net zero by 2050.

The new investment strategy integrates climate and ESG more broadly. For example, the majority of assets within this strategy are invested in an equity fund that aims for a 60% immediate reduction and an ongoing reduction of c7% pa in scope 1 and 2 carbon emissions relative to a parent index. The CPT Cushon Global Bonds Core fund which holds the next largest proportion of the assets is comprised of four funds. Two of these funds actively integrate climate change.

10. VOTING AND STEWARDSHIP

The Trustees' Investment Beliefs and ESG Strategy document was last reviewed and updated in December 2023. The updates made as part of the review included expanding on the Trustees' beliefs regarding exclusions of companies as part of their ESG policy and also included the ambition for the Scheme's investments to be net zero, in regard to scope 1 and 2 emissions, by 2050.

The Trustees did not hold any direct investments or have any voting override or proportional voting agreements with the Investment Providers or Fund Managers during the Scheme Year. Therefore, the Trustees do not have any direct influence over the use of voting rights attached to the Scheme assets.

The former Investment Provider funds used by the Scheme either invested in other sub funds or were managed for the former Investment Provider by one of its investment partners. The former Investment Provider's equity allocation invested with BlackRock Investment Management (UK) Limited ("BlackRock") held in the SW Pension Portfolio funds would be voted to reflect the Investment Provider's ESG position using the Institutional Shareholder Services' ("ISS") socially responsible investment policy. The former Investment Provider continued to engage with State Street Global Advisors Limited ("SSgA") (the other equity sub Fund Manager in the Pension SW Portfolio funds' allocation) to allow them to direct their share of votes according to the Investment Provider's chosen policy.

Prior to the investment strategy transition in October 2023, the former Investment Provider funds used by the Scheme only invested in other sub funds. Therefore, the Investment Provider did not hold any voting rights attached to the Scheme assets. Funds used by the Scheme are either invested in other sub funds or are managed for the former Investment Provider by one of its investment partners.

Following the change in investment strategy, the assets are invested via the current Investment Provider, which does not hold any voting rights. However, the Trustees, with support from the Cushion Investment Office and advice from their Investment Adviser, are responsible for selecting the Fund Managers. Therefore, the Trustees or their Investment Adviser on their behalf consider how Fund Managers exercise their rights including voting rights in relation to the underlying investments.

The Trustees' Investment Adviser has verified that all the Scheme's Fund Managers (from both previous and current investment strategies) are signatories to the 2020 UK Stewardship Code and United Nations Principles for Responsible Investment ("UN PRI") and remained so during the Scheme Year.

As part of its advice on the selection and ongoing review of the Fund Managers, the Investment Adviser incorporates its assessment of the nature and effectiveness of the Fund Managers' approaches to voting and engagement. Following the introduction of the DWP's guidance on stewardship, the Trustees have set stewardship priorities during the Scheme Year to focus monitoring and engagement with their Fund Managers on specific ESG factors, which were communicated to the Fund Managers. The Trustees' stewardship priorities set during the Scheme Year were: -

- Climate Change
- Diversity, Equality and Inclusion
- Corporate Behaviour

The Trustees' Investment Adviser has reviewed the stewardship, voting and engagement policies and activities of the Fund Managers periodically during the Scheme Year and has indicated no areas of concern for the Trustees. Over the period covered by this Statement, the Investment Adviser has not directly challenged the Fund Managers on voting activity but is satisfied on the basis of reporting that the Fund Managers' approaches to voting activity and engagement was aligned with the Trustees' policies during the period. The Trustees are satisfied with the Investment Adviser's assessment. The Trustees have also established an engagement and escalation process which would be followed if monitoring of the Fund Managers identifies any areas of concerns and the progress is unsatisfactory. The Trustees review the engagement activity of the Investment Provider annually.

The Trustees are conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most Fund Managers will have areas where they could improve. Therefore, the Trustees, or their Investment Adviser on their behalf, aim to have an ongoing dialogue with the Fund Managers to clarify expectations and encourage improvements.

Voting Activity

Given the change in the investment strategy and the Investment Provider during the Scheme Year, voting statistics for the funds invested in via the former Investment Provider, as well as the funds in the current investment strategy invested in via the current Investment Provider have been included in this Statement.

The Trustees and their Investment Adviser periodically review the voting activity for the Scheme's funds. The Trustees and their Investment Adviser have noted the use of voting rights by the Fund Managers on various issues including climate change, other environmental and social issues, board structures and executive remuneration during the Scheme Year.

The table below provides voting statistics, in relation to the former investment strategy, for the **SW Pension Portfolio Three ("SW PP3")** fund for the Scheme Year based on the underlying funds held within that fund as at 31 March 2024 and the two self-select funds with voting rights, namely the **SW HSBC** and the **SW LGIM Ethical Global Equity Index** funds.

The SW Pension Portfolio Three fund was the largest single fund by size of assets in the Scheme prior to the transition. The SW Pension Portfolio Three fund was also the main fund used in the former default investment strategy as the "growth" phase investment for the CAEP section of the Scheme with the greatest number of members invested. However, as the SW Pension Portfolio Four fund invested in the same underlying funds, but just in different proportions, the figures in the table below are the same for that fund.

Category	SW PP3 fund	SW HSBC Islamic fund	SW LGIM Ethical Global Equity Index fund
Total number of eligible meetings	8,155	105	1,167
Total number of eligible voting resolution	87,324	1,712	16,564
Total number of resolutions voted on	85,068	1,625	16,524
Percentage of resolutions voted on	97.4%	94.9%	99.8%
Percentage of resolutions voted with management	90.2%	76.6%	81.4%
Percentage of resolutions voted against management	9.8%	23.4%	18.5%
Percentage of resolutions abstained	1.0%	0.0%	0.2%
Percentage of meetings with at least one vote against management	39.3%	83.8%	75.0%
Percentage of votes contrary to recommendation of proxy adviser	5.4%	0.9%	14.1%

The SW Pension Portfolio Four fund was also used in the former default investment strategy in the "de-risking" phase and invested in the same underlying funds as the SW PP3 fund but in different proportions. The SW Cash fund was the third fund used in the former default investment strategy, but there were no voting rights attached to the assets held within that fund. The assets held by the SW Pension Protector fund made available to members as a self-select option also did not have any attached voting rights.

In the following table are the voting statistics for the funds used in the current default investment strategy and self-select range following the investment strategy changes in October 2023. The Cushon Core investment strategy uses two funds in the "growth" phase: the CPT Cushon Global Equity Core and the CPT Cushon Global Bonds Core funds. As there are no voting rights attached to the four underlying fixed income funds of the CPT Cushon Global Bonds Core fund, the voting statistics are shown only for the CPT Cushon Global Equity Core fund. The CPT Cushon Inflation Linked Government Bond Core and CPT Cushon Sterling Cash Core funds are also used in the de-risking phase of the Cushon Core investment strategy but have no voting rights attached.

Following the investment strategy transition there are nine equity funds available to members in the self-select range. One of these funds is the CPT Cushon Shariah fund which invests in the same underlying fund as the SW HSBC Islamic fund, the HSBC Islamic Global Equity Index fund, and therefore has the same voting statistics as shown above. Below the Trustees have shown the voting statistics for the remaining eight equity funds. There are also four fixed income funds and one cash fund available in the self-select fund range and they do not have voting rights attached.

Category	CPT Cushon Global Equity fund	CPT Cushon Global Impact fund	CPT Cushon Sustainable Europe ex UK Equity fund
Total number of eligible meetings	1,228	33	405
Total number of eligible voting resolution	17,022	323	7,223
Total number of resolutions voted on	16,676	307	7,197
Percentage of resolutions voted on	98.0%	95.1%	99.6%
Percentage of resolutions voted with management	92.7%	96.7%	81.4%
Percentage of resolutions voted against management	7.2%	2.9%	18.2%
Percentage of resolutions abstained	0.1%	0.3%	0.5%
Percentage of meetings with at least one vote against management	42.2%	21.2%	81.9%
Percentage of votes contrary to recommendation of proxy adviser	0.2%	N/A	10.6%

Category	CPT Cushon Sustainable Emerging Market fund	CPT Cushon Sustainable Global Equity fund	CPT Cushon Sustainable Japan Equity fund
Total number of eligible meetings	3,299	5,134	323
Total number of eligible voting resolution	25,715	52,212	3,967
Total number of resolutions voted on	25,715	52,165	3,967
Percentage of resolutions voted on	100.0%	99.9%	100.0%
Percentage of resolutions voted with management	80.0%	80.3%	89.0%
Percentage of resolutions voted against management	19.6%	19.5%	11.0%
Percentage of resolutions abstained	0.4%	0.3%	0.0%
Percentage of meetings with at least one vote against management	56.2%	63.3%	68.7%
Percentage of votes contrary to recommendation of proxy adviser	7.6%	11.1%	9.1%

Category	CPT Cushon Sustainable North America Equity fund	CPT Cushon Sustainable Asia Pacific (ex-Japan) Equity fund	CPT Cushon Sustainable UK Equity fund
Total number of eligible meetings	560	166	381
Total number of eligible voting resolution	7,784	1,213	6,310
Total number of resolutions voted on	7,770	1,213	6,302
Percentage of resolutions voted on	99.8%	100.0%	99.9%
Percentage of resolutions voted with management	62.3%	74.6%	94.1%
Percentage of resolutions voted against management	34.7%	25.4%	6.0%
Percentage of resolutions abstained	0.0%	0.0%	0.0%
Percentage of meetings with at least one vote against management	98.9%	72.9%	44.0%
Percentage of votes contrary to recommendation of proxy adviser	28.9%	15.8%	4.2%

Proxy Voting

For the reasons set out above under "Voting Activity", the Trustees believe it is appropriate to confirm the use of proxy voting in relation to all the funds shown above.

The SW Pension Portfolio funds used within the former investment strategy invested in underlying funds managed by SSgA, BlackRock, Schroders plc and Aberdeen Standard Fund Managers Limited ("Abrdn"). The underlying funds managed by Schroders plc and Abrdn were cash and bond funds and therefore the manager did not normally hold any voting rights in relation to the underlying investments. The CPT Cushon Global Equity Core fund invests in a single fund managed by Macquarie Asset Management. Eight of the nine self-select funds in the new investment strategy that have voting rights are invested in underlying funds managed by Legal & General Investment Management ("LGIM"). The CPT Cushon Global Impact fund invests in the underlying fund managed by Baillie Gifford & Co.

As there are numerous voting meetings and voting resolutions, it is often not possible for the Fund Managers to attend all meetings. Instead, the Fund Managers typically use a proxy voting service and/or system to cast some or all of their votes: -

- **SSgA** – Uses Institutional Shareholder Services Incorporated ("ISS") as its proxy voting provider. ISS provides SSgA with research, data and information on relevant votes as well as a platform for SSgA to cast votes by proxy. In some cases ISS will vote on SSgA's behalf based on voting guidelines and policies provided by SSgA.
- **BlackRock** – The proxy voting process is led by the in-house BlackRock Investment Stewardship (BIS) team and all voting is done in accordance with BlackRock's Global Corporate Governance and Engagement Principles and custom market-specific voting guidelines. BIS utilises independent research from ISS and Glass, Lewis & Company in its voting analysis process.
- **LGIM** – LGIM's investment stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and it does not outsource any part of the strategic decisions. To ensure the proxy provider votes in accordance with LGIM's position on ESG, LGIM has put in place a custom voting policy with specific voting instructions.

- **HSBC** – HSBC use ISS to assist with the global application of their own bespoke voting guidelines. ISS reviews company meeting resolutions and provides recommendations highlighting resolutions which contravene HSBC’s guidelines.
- **Macquarie** – Macquarie uses ISS as its proxy advisory firm for research and recommendations on how to vote, based on the guidelines set by Macquarie’s Public Market Division. ISS monitors corporate events in connection with the Macquarie True Index and after receiving proxy statements, will review the proxy issues and recommend a vote in accordance with guidelines.
- **Baillie Gifford** – Whilst Baillie Gifford is cognisant of its proxy advisers’ voting recommendations (ISS and Glass Lewis), Baillie Gifford does not delegate or outsource any of its stewardship activities or follow or rely upon their recommendations when deciding how to vote on clients’ shares. All client voting decisions are made in-house.

Most Significant Votes

The former Investment Provider and Fund Managers have supplied details of the voting activity by, or on behalf, of its underlying Fund Managers during the Scheme Year to the Trustees’ Investment Adviser.

The Trustees and their Investment Adviser have selected the votes below from the list of votes provided by the Investment Provider for the underlying funds, in line with the Pensions and Lifetime Savings Association (PLSA) guidance, PLSA Vote Reporting template and DWP’s guidance, based on the following criteria: -

- The Trustees have included one vote for each fund and this vote has been selected as it relates to a key stewardship priority and represents the highest proportion of investment (where this information has been provided) within that underlying fund.
- However, for the former and current default investment strategies, the Trustees have included additional votes given the amount of assets invested in the funds used within the strategies and also to include more regional diversity in terms of the investee companies.

The Trustees have agreed with their Investment Adviser that the votes detailed in the table below provide the most significant votes relating to the previous and current investment strategies and the accompanying self-select ranges that are relevant to the Scheme. This includes three funds from the former strategy and fund range: -

- SW Pension Portfolio Three
- SW LGIM Ethical Global Equity Index
- SW HSBC Islamic

The votes listed for the SW Pension Portfolio Three fund are also relevant for the SW Pension Portfolio Four fund as it invests in the same underlying funds, just in different proportions.

Details of the Vote	Investee Company		
	Yum! Brands, Inc.	BE Semiconductor Industries N.V.	Toyota Motor Corp.
Scheme fund	SW PP3	SW PP3	SW PP3
Underlying Fund Manager	BlackRock	BlackRock	BlackRock
Underlying fund name	ACS US Equity Index	ACS UK Equity Tracker	ACS Japan Equity Index
Date of Vote	18 May 2023	26 April 2023	14 June 2023

Total size of fund	£2,244m	£9,278m	£3,336m
Proportion of Fund	0.1%	0.0%	6.5%
Stewardship priority	Diversity, Equality and Inclusion	Corporate Behaviour	Climate Change
Summary of the Vote Resolution	Shareholder Proposal Regarding Issuance of Civil Rights and Non-discrimination Audit Report	Vote on the Remuneration Policy 2024	Amend Articles to Report on Corporate Climate Lobbying Aligned with Paris Agreement
How the underlying Fund Manager voted	Against	For	Against
Vote against company management?	No	No	No
Vote against proxy adviser?	No	No	Yes
Was the voting intention communicated with the company in advance?	N/A	N/A	N/A
Reason for the voting decision	In BlackRock's view, Yum!'s approach to civil rights and non-discrimination is already proportionate to the human capital risks the company has identified	BlackRock did not support the 2022 remuneration report over concerns about several structural issues. However, it recognises 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.	In BlackRock's view, the proposal was overly prescriptive and constraining on management. In addition, Toyota's disclosures already provided investors sufficient information to understand how the company's climate lobbying activities align with long-term corporate strategy.
Result of the vote	Withdrawn	Pass	Fail
Next steps	BlackRock has ongoing direct dialogue with companies to explain its views and how it evaluates their actions on relevant ESG issues over time. Where BlackRock has concerns that are not addressed by these conversations, it may vote against management for their action or inaction.	BlackRock will continue engaging with the company to share its perspective on areas where the company could further improve their remuneration practices and disclosures to better align with long-term shareholders' interests.	BlackRock will continue to engage on this matter.

Details of the Vote	Investee Company	
	Visa Inc.	NVIDIA Corporation
Scheme fund	SW HSBC Islamic	SW LGIM Ethical Global Equity Index
Underlying Fund Manager	HSBC	LGIM
Underlying fund name	Islamic Global Equity Fund	Ethical Global Equity Index Fund
Date of Vote	31 January 2024	22 June 2023
Total size of fund	£1,220m	£1,151m
Proportion of Fund	1.6%	2.6%
Stewardship priority	Corporate Behaviour	Diversity, Equality and Inclusion
Summary of the Vote Resolution	Advisory Vote to Ratify Named Executive Officers' Compensation	Election of Director
How the underlying Fund Manager voted	Against	Against
Vote against company management?	Yes	Yes
Vote against proxy adviser?	Yes	N/A
Was the voting intention communicated with the company in advance?	No	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.
Reason for the voting decision	HSBC consider the size of the total pay excessive, and that there is an insufficient link between pay and performance.	LGIM expects a company to have at least one-third women on the board.
Result of the vote	Pass	Pass
Next steps	HSBC will likely vote against a similar proposal should it see insufficient improvements.	LGIM will continue to engage with its investee companies, publicly advocate its position on this issue and monitor company and market-level progress.

There are ten funds from the current investment strategy and self-select fund range for which significant votes have been shown: -

- CPT Cushon Global Equity Core
- CPT Cushon Global Impact
- CPT Cushon Sustainable Europe ex UK Equity
- CPT Cushon Sustainable Emerging Market Equity
- CPT Cushon Sustainable Global Equity
- CPT Cushon Sustainable Japan Equity
- CPT Cushon Sustainable North America Equity

- CPT Cushon Sustainable Asia Pacific (ex-Japan) Equity
- CPT Cushon Sustainable UK Equity
- CPT Cushon Shariah

As the Cushon Shariah fund invests in the same underlying fund as the SW HSBC Islamic fund, the HSBC Islamic Global Equity Index Fund, the significant vote shown applies to both funds.

Details of the Vote	Investee Company		
	Citigroup	Goldman Sachs Group	Alphabet
Scheme fund	CPT Cushon Global Equity Core	CPT Cushon Global Equity Core	CPT Cushon Global Equity Core
Underlying Fund Manager	Macquarie	Macquarie	Macquarie
Underlying fund name	Macquarie True Index	Macquarie True Index	Macquarie True Index
Date of Vote	25 April 2023	26 April 23	2 June 2023
Total size of fund	£1,131m	£1,131m	£1,131m
Proportion of Fund	0.2%	0.2%	1.3%
Stewardship priority	Diversity, Equality and Inclusion	Climate Change	Diversity, Equality and Inclusion
Summary of the Vote Resolution	Report on Respecting Indigenous Peoples' Rights	Report on Climate Transition Plan Describing Efforts to Align Financing Activities with GHG Targets	Report on Risks of Doing Business in Countries with Significant Human Rights Concerns
How the underlying Fund Manager voted	For	For	For
Vote against company management?	Yes	Yes	Yes
Vote against proxy adviser?	No	No	No
Was the voting intention communicated with the company in advance?	No	No	No
Reason for the voting decision	Macquarie believes the bank and its shareholders are likely to benefit from increased transparency regarding due diligence around Indigenous Peoples' rights in project-related financing and clients' activities, for existing and future business.	Macquarie believes additional disclosure about the company's climate transition plan would help shareholders better evaluate the company's strategy for implementing its commitments to advance a low-carbon economy and the company's management of related risks and opportunities.	Macquarie believes shareholders would benefit from increased disclosure regarding how the company is managing human rights-related risks in high-risk countries.
Result of the vote	Fail	Fail	Fail

Next steps	Macquarie will attempt engagement to assess the current practice and identify areas for improvement. This may include publishing the relevant reports identified in each proxy that was supported or supplementary action that achieves the intended outcome of these reports.	Macquarie will attempt engagement to assess the current practice and identify areas for improvement. This may include publishing the relevant reports identified in each proxy that was supported or supplementary action that achieves the intended outcome of these reports.	Macquarie will attempt engagement to assess the current practice and identify areas for improvement. This may include publishing the relevant reports identified in each proxy that was supported or supplementary action that achieves the intended outcome of these reports.
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Details of the Vote	Investee Company		
	Discovery Limited	Sanofi	Ping An Insurance (Group) Co. of China Ltd.
Scheme fund	CPT Cushon Global Impact	CPT Cushon Sustainable Europe ex UK Equity	CPT Cushon Sustainable Emerging Market
Underlying Fund Manager	Baillie Gifford	LGIM	LGIM
Underlying fund name	Positive Change	Future World Europe (ex UK) Equity Index	Future World Emerging Markets Equity Index
Date of Vote	16 November 2023	25 May 2023	12 May 2023
Total size of fund	£2,245m	£3,749m	£3,180m
Proportion of Fund	2.2%	1.6%	0.9%
Stewardship priority	Corporate Behaviour	Diversity, Equality and Inclusion	Climate Change
Summary of the Vote Resolution	Approval of Remuneration Policy	Election of Director	Approve Report of the Board of Directors
How the underlying Fund Manager voted	Against	Against	Against
Vote against company management?	Yes	Yes	Yes
Vote against proxy adviser?	N/A	N/A	N/A
Was the voting intention communicated with the company in advance?	No	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is LGIM's policy not to engage with its	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is LGIM's policy not to engage with its

		investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.	investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.
Reason for the voting decision	Baillie Gifford opposed the remuneration policy due to concerns with the lack of long term performance measures.	LGIM expects a company to have a diverse board, with at least a third of board members being women. LGIM expects companies to increase female participation both on the board and in leadership positions over time.	A vote against was applied as the company is deemed to not meet minimum standards with regard to climate risk management.
Result of the vote	Pass	Pass	Pass
Next steps	Baillie Gifford opposed the remuneration policy, consistent with its approach taken in previous years, due to concerns with the lack of long term performance measures. After voting, Baillie Gifford communicated its concerns with the company and planned engagement for Q1 2024.	LGIM will continue to engage with its investee companies, publicly advocate its position on this issue and monitor company and market-level progress.	LGIM will continue to engage with the company and monitor progress.

Details of the Vote	Investee Company		
	Apple Inc.	Toyota Motor Corp.	Amazon.com, Inc.
Scheme fund	CPT Cushon Sustainable Global Equity	CPT Cushon Sustainable Japan Equity	CPT Cushon Sustainable North America Equity
Underlying Fund Manager	LGIM	LGIM	LGIM
Underlying fund name	Future World Global Equity Index	Future World Japan Equity Index	Future World North America Equity Index
Date of Vote	28 February 2024	14 June 2023	24 May 2023
Total size of fund	£9,915m	£2,337m	£14,107m
Proportion of Fund	4.5%	4.8%	2.1%
Stewardship priority	Diversity, Equality and Inclusion	Climate Change	Diversity, Equality and Inclusion
Summary of the Vote Resolution	Report on Risks of Omitting Viewpoint and Ideological Diversity from Equal Opportunity Employer (EEO) Policy	Amend Articles to Report on Corporate Climate Lobbying Aligned with Paris Agreement	Report on Median and Adjusted Gender/Racial Pay Gaps

How the underlying Fund Manager voted	Against	For	For
Vote against company management?	No	Yes	Yes
Vote against proxy adviser?	N/A	N/A	N/A
Was the voting intention communicated with the company in advance?	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.	LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was sent to the company ahead of the meeting.	LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was sent to the company ahead of the meeting.
Reason for the voting decision	A vote against was applied as the company appears to be providing shareholders with sufficient disclosure around its diversity and inclusion efforts, and non-discrimination policies, and including viewpoint and ideology in EEO policies which do not appear to be a standard industry practice.	LGIM acknowledges the progress that Toyota Motor Corp has made in relation to its climate lobbying disclosure in recent years. However, LGIM believes that additional transparency is necessary with regards to the process used by the company to assess how its direct and indirect lobbying activity aligns with its own climate ambitions, and what actions are taken when misalignment is identified. Furthermore, LGIM expects Toyota Motor Corp to improve its governance structure to oversee this climate lobbying review.	A vote in favour was applied as LGIM expects companies to disclose meaningful information on its gender pay gap and the initiatives it is applying to close any stated gap. This is an important disclosure so that investors can assess the progress of the company's diversity and inclusion initiatives.
Result of the vote	Fail	Fail	Fail
Next steps	LGIM will continue to engage with its investee companies, publicly advocate its	LGIM will continue to engage with the company and monitor progress.	LGIM will continue to engage with the company and monitor progress.

	position on this issue and monitor company and market-level progress.		
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Details of the Vote	Investee Company	
	National Australia Bank Limited	Shell Plc
Scheme fund	CPT Cushon Sustainable Asia Pacific (ex-Japan) Equity	CPT Cushon Sustainable UK Equity
Underlying Fund Manager	LGIM	LGIM
Underlying fund name	Future World Asia Pacific (ex-Japan) Developed Equity Index	Future World UK Equity Index
Date of Vote	15 December 2023	23 May 2023
Total size of fund	£1,155m	£2,789m
Proportion of Fund	3.6%	4.6%
Stewardship priority	Climate Change	Climate Change
Summary of the Vote Resolution	Approve Transition Plan Assessments	Approve the Shell Energy Transition Progress
How the underlying Fund Manager voted	For	Against
Vote against company management?	No	Yes
Vote against proxy adviser?	N/A	N/A
Was the voting intention communicated with the company in advance?	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is LGIM's policy not to engage with its investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.
Reason for the voting decision	A vote in favour was applied as LGIM expects companies to be taking sufficient action on the key issue of climate change. While LGIM acknowledges the company's disclosures on sector policies and emissions reduction targets in this regard, it believes that additional reporting on how this is assessed in practice and any timelines associated with this in light of the company's existing commitments is considered beneficial to shareholders.	LGIM acknowledges the substantial progress made by the company in meeting its 2021 climate commitments and welcome the company's leadership in pursuing low carbon products. However, LGIM remains concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations; both of these are key areas to demonstrate alignment with the 1.5C trajectory.
Result of the vote	Withdrawn	Pass

Next steps	LGIM will continue to engage with its investee companies, publicly advocate its position on this issue and monitor company and market-level progress.	LGIM continues to undertake extensive engagement with Shell on its climate transition plans.
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11. MONITORING

The Trustees will monitor compliance with the SIP annually and have done so in the preparation of this Statement.

The Trustees normally review the SIP annually as detailed in the Trustees' Annual Business Planner. A review of the SIP was completed in October 2023. A further review of the SIP was completed after the Scheme Year end in April 2024.

The Trustees have reviewed the performance of the Scheme's investment strategy against appropriate benchmarks on a quarterly basis during the Scheme Year.

The Trustees and their Investment Adviser have not deviated from the monitoring processes detailed in the SIPs during the Scheme Year.

For and on behalf of the Trustees of Creative Pension Trust

Roger Mattingly (Chair)

October 2024



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Creative Pension Trust is an occupational pension scheme governed by a group of Independent Trustees including PAN Trustees UK LLP (Company No. OC333840) of The Annex, Oathall House, Oathall Road, Haywards Heath, West Sussex, England RH16 3EN and BESTrustees Limited (Company No. 02671775) of 1 Cornhill, London, EC3V 3ND. The scheme is sponsored by Creative Auto Enrolment Limited (Company No. 8554978), trading as Creative. Registered office: 250 Bishopsgate, London, EC2M 4AA.

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