PepsiCo UK Pension Plan (‘the Plan’)

Annual Implementation Statement for the Year Ended 30 September 2022

1. Introduction

The Trustee has produced a Statement of Investment Principles (“SIP”) in accordance with Section 35 of the Pensions Act 1995, the Occupational Pension Scheme’s (Investment) Regulations 2005 and subsequent legislation. The Trustee has also prepared a Default Arrangement Statement of Investment Principles (“Default SIP”).

This statement sets out how, and the extent to which, the SIP and Default SIP have been followed during the year running from 1 October 2021 to 30 September 2022 (the “Plan Year”). This statement has been produced in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 (as amended) and the guidance published by the Pensions Regulator.

The statement is based on, and should be read in conjunction with, the relevant versions of the SIP and Default SIP that were in place for the Plan Year. This was the SIP dated August 2020, the SIP dated September 2022 and the Default SIP dated April 2021.

Sections 2.1 and 2.2 of this statement set out the investment objectives of the Plan and changes that have been made to the SIP and Default SIP during the Plan Year, respectively. Section 2.3 of this statement sets out how, and the extent to which, the policies in the Defined Benefit (“DB”) Section and Defined Contribution (“DC”) Section of the SIP and Default SIP have been followed. **The Trustee can confirm that all policies in the SIP and Default SIP have been followed in the Plan Year.**

A copy of the SIP and Default SIP are available at https://www.pepsico.co.uk/pension-plan-members

Sections 3 and 4 include information on the engagement and key voting activities of the underlying investment managers within each Section of the Plan.

2. Statement of Investment Principles

2.1. Investment Objectives of the Plan

DB

The Trustee believes it is important to consider the policies in place in the context of the investment objectives it has set. The objectives for the DB Section of the Plan specified in the SIP are as follows:

- The desire to achieve an investment return which, together with contributions from the Company and from members, is sufficient to maintain reasonable control over the various funding risks that the Plan faces.
- A secondary objective is to generate a long-term return on the Plan’s assets in excess of the return assumed for calculating the liabilities. In setting the strategy, the Trustee sets prudent risk management guidelines, which provide reasonable protection for the funded status of the Plan and ensure lower volatility in pension expense and reasonable stability in employer and employee contributions.

DC

The Trustee holds certain DC assets on behalf of members of the Plan. These include additional voluntary contributions (“AVCs”) and assets relating to legacy money purchase benefits in the Quaker Pension Scheme and the Huntley & Palmer Money Purchase Pots or Special Transfer Credits.

The Trustee’s objective for DC elements of the Plan (including AVCs) is to assist members to provide adequately for themselves in retirement via appropriate investment of their accumulated savings under the Plan.

2.2. Review of the SIP and Default SIP

During the year to 30 September 2022, the Trustee reviewed the Plan's SIP, taking formal advice from its Investment Consultant (Mercer Limited ("Mercer")). The Trustee signed a revised SIP in September 2022, reflecting the investment de-risking agreed and implemented over the course of the Plan Year, as well as references to the Trustee's Environmental, Social and Governance Policy dated September 2022.

The Trustee has not reviewed the Default SIP during the Plan Year.

2.3. Assessment of how the policies in the SIP and Default SIP have been followed for the Plan Year

The information provided in this section highlights the work undertaken by the Trustee during the year, and longer term where relevant, and sets out how this work followed the Trustee's policies in the SIP (dated August 2020 and September 2022) and Default SIP (dated April 2021), relating to the DB and DC Sections of the Plan.

In summary, it is the Trustee's view that the policies in the SIP and Default SIP have been followed during the Plan Year.

Investment Mandates

Securing compliance with the legal requirements about choosing investments

Policy

As required by legislation, the Trustee consults a suitably qualified person when making investment selections by obtaining written advice from its Investment Consultant.

How has this policy been met over the Plan Year

DB

Having agreed to introduce an allocation to long-dated US corporate bonds, in order to achieve improved diversification within the bond portfolio (amongst other things), the Trustee selected Wellington Management International Limited ("Wellington") as its preferred manager for the mandate. The Trustee has received advice from its Investment Consultant regarding the suitability of the investment for the Plan. The Trustee expects the investment with Wellington to proceed during 2023.

DC

There were no changes to the DC Section's investments over the Plan Year. The Trustee has historically received advice in line with the Pensions Act 1995 (as amended) when making investment selections.

Realisation of Investments

Policy

The Trustee's objective is to ensure that there is sufficient liquidity within the Plan's assets to meet short term cashflow requirements in the majority of foreseeable circumstances, so that realisation of assets will not disrupt the Plan's overall investment policy.

How has this policy been met over the Plan Year?

DB

Subject to maintaining the Strategic Asset Allocation ("SAA"), the Trustee has continued to use income derived from the DB Section's assets to meet cashflow requirements where possible, thereby reducing the need for physical disinvestments.

The DB Section holds a diversified portfolio consisting mostly of readily realisable securities. As such, the risk of not being able to sell assets (if required) in order to pay benefits is small. In particular, most of the DB Section's assets are daily priced and traded, except for the Genesis Emerging Markets Equity mandate, which trades twice weekly, and the property funds managed by Aviva and Lothbury, which are illiquid and have significant notice periods for disinvestments. The Trustee carefully considered the illiquidity of these holdings in the context of the DB Section's cashflow position before deciding to invest (and scaled the allocations to the funds accordingly).

The Trustee, taking advice from the Investment Consultant, has reviewed (and will continue to review) the cashflow policy for the DB Section regularly, to ensure sufficient liquidity is available to meet expected cashflows.

DC

All funds within the DC Section are daily-dealt pooled investment arrangements, with assets mainly invested on regulated markets. As such, assets should be realisable at short notice, based on member demand.

Environmental, Social and Governance (“ESG”)

Financial and non-financial considerations and how those considerations are taken into account in the selection, retention and realisation of investments

Policy

The Trustee believes that ESG factors may have a material impact on investment risk and return outcomes. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration.

The Trustee has given the appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, in particular in relation to the selection, retention, and realisation of underlying investments. Meanwhile, the Trustee considers how ESG considerations (including climate change) are integrated within investment processes when appointing new investment managers and monitoring existing investment managers.

The Trustee does not require the Plan’s investment managers to take non-financial matters into account in their selection, retention and realisation of investments.

Although the Trustee has no formal process for seeking the views of members on ethical considerations or on issues such as social and environmental impact, it will consider views expressed by members provided that they are consistent with the Plan’s investment objectives.

How has this policy been met over the Plan Year?

DB DC

Over the course of the Plan Year, the Trustee has applied disinvestments required for de-risking purposes in order to increase the relative allocation to BlackRock’s ACS World ESG Equity Tracker Fund within the DB Section’s equity portfolio. This Fund aims to maximise exposure to positive ESG factors and minimise carbon exposure whilst targeting risk and return characteristics similar to those of the broader developed global equity market, thereby increasing the ESG tilt at the total equity portfolio level.

The Trustee is exploring how ESG considerations could be integrated into the DC Section’s arrangements more broadly following the 2022 investment strategy review.

In order to monitor the extent to which ESG factors are integrated into the appointed investment managers’ decision-making, the Trustee has continued to review the Mercer ESG ratings assigned to the strategies in which the Plan invests as part of regular performance reporting for the DB and DC Sections. In addition, the Trustee has asked managers to comment on these areas when they have presented at meetings.

Over the Plan Year, the Trustee received the results of its Investment Consultant’s independent assessment of how well the Trustee is integrating ESG considerations into its overall decision making. The Plan attained an initial rating of ‘B’ on an ‘A++’ to ‘C’ scale. This was broadly consistent with the average rating for pension schemes of a similar size, but above average for the sector. The Trustee has taken a number of actions to improve the Plan’s rating and therefore the extent to which ESG considerations are integrated into its overall decision making. In Q1 2022, the Trustee completed an ESG beliefs survey facilitated by its Investment Consultant. The Trustee used the survey results to draft and agree a separate ESG Policy, which sets out how the Trustee manages ESG risks and opportunities as part of the overall risk management of the Plan.

Voting and Engagement Disclosures

The exercise of the rights (including voting rights) attaching to the investments and undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, the Trustee would monitor and engage with relevant persons about relevant matters).

Policy

The Trustee’s policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to the Plan’s investments to the investment managers. The Trustee considers how stewardship considerations are integrated within investment processes when appointing new investment managers and monitoring existing investment managers.

How has this policy been met over the Plan Year?

DB DC

The Trustee has asked managers to comment on these areas when they have presented at meetings.

In addition, voting and engagement summary reports from the Plan’s investment managers were provided to the Trustee for review to ensure that they were aligned with the Trustee’s policy during the Plan Year. Outside of those exercised by the investment managers on behalf of the Trustee, no other engagement activities were undertaken and the Trustee does not use the direct services of a proxy voter.

Section 3 includes examples of engagement activity undertaken by the Plan's investment managers, while section 4 sets out a summary of voting activity undertaken by the Plan’s equity managers, as well as a sample of the most significant votes cast on behalf of the Trustee.

The Trustee supports the aims of the UK Stewardship Code and the Plan’ investment managers are encouraged to report their adherence to the Code. The majority of the Plan’s investment managers within the DB and DC Sections are already signatories to the current UK Stewardship Code 2020. Where this is not the case, the managers are working towards signatory status.

Monitoring the Investment Managers

Incentivising asset managers to align their investment strategies and decisions with the Trustee's policies

Policy

For pooled fund investments, the Trustee accepts that it cannot specify the risk profile and return targets for these strategies. However, appropriate funds are selected to align with the overall investment strategy and the Trustee's policies.

For segregated mandates, the Trustee specifies criteria in the investment manager agreements to meet the Plan's specific investment requirements.

Where appointments are for actively managed mandates, the managers are incentivised through remuneration and performance targets.

How has this policy been met over the Plan Year?

The Trustee reviews the appropriateness of the funds in which the Plan invests on an ongoing basis, to ensure that they are aligned with the Trustee's policies and the investment strategy being targeted. To facilitate this process, over the course of the year under review, the Trustee has sought its Investment Consultant's views in relation to the managers' ability to deliver upon the Trustee's requirements for each of the Plan's mandates on a forward looking basis. In addition, the Investment Consultant's manager research ratings, including ESG ratings, have assisted the Trustee with ongoing due diligence and have been used in decisions around the selection, retention and realisation of manager appointments. The Trustee continues to make the investment managers aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage.

Evaluation of asset managers' performance and remuneration for asset management services

Policy

The Trustee reviews the performance of the Plan's investments on a regular basis. The Trustee's focus is primarily on long-term performance, but short-term performance is also considered.

As a long-term investor, the Trustee is not looking to change the investment arrangements on a frequent basis. However, if a manager is not meeting performance objectives, or their investment objectives for the mandate have changed, the Trustee will review the appointment to ensure it remains appropriate and consistent with the Trustee's wider investment objectives. In such instances, the Trustee may ask the manager to review their fees instead of terminating the mandate.

Remuneration for asset management services is agreed prior to manager appointment and is reviewed on a regular basis.

How has this policy been met over the Plan Year?

Over the Plan Year, the Trustee has received quarterly investment performance reports for the DB Section and an annual performance report in respect of the DC Section. These reports showed performance (versus relevant benchmarks and targets) over both shorter and longer-term periods.

In February 2022, the Trustee carried out a fee benchmarking exercise for the Plan's DB assets. The exercise summarised the fee arrangements for the Plan and benchmarked them against the fees offered for broadly equivalent products, based on data drawn from Mercer's Global Investment Manager Database. Overall, the fees paid in respect of the DB Section generally offered good value on a peer group comparison basis, with the Trustee noting a year-on-year reduction in total equity fees of c.£171k p.a. (based on the value and distribution of the DB Section's assets as at 31 December 2021), equivalent to a c.14% decrease.

Performance and remuneration was also considered as part of the annual Value for Members ("VfM") assessment carried out in respect of the DC Section.

Monitoring the Investment Managers

Monitoring portfolio turnover costs

Policy

The Trustee asks investment managers to include portfolio turnover and turnover costs in their presentations and reports where applicable. The Trustee will engage with a manager if portfolio turnover is higher than expected.

How has this policy been met over the Plan Year?

DB

The Trustee has not explicitly monitored portfolio turnover costs with respect to the DB Section of the Plan over the Plan Year. Investment manager performance was reported and evaluated net of all fees and transaction costs (costs incurred as a result of buying and/or selling assets). In addition, where possible, performance objectives for investment managers have been set on a net basis. In this way, managers were incentivised to keep portfolio turnover costs to the minimum required to meet or exceed their objectives.

The Trustee acknowledges that at an individual mandate level, portfolio turnover costs will form part of the Investment Consultant's manager research assessment.

DC

With regard to the DC Section, the Trustee considered portfolio turnover costs as part of the annual VfM assessment.

The duration of the arrangements with asset managers

Policy

There is no set duration for manager appointments. However, appointments are regularly reviewed and could be terminated either because the Trustee is dissatisfied with the managers' ongoing ability to deliver the required mandate or because of a change in investment strategy by the Trustee.

How has this policy been met over the Plan Year?

DB DC

No changes were made to the appointed investment managers during the Plan Year. The Trustee remains comfortable with the Plan's appointed investment managers.

Strategic Asset Allocation (“SAA”)

Kinds of investments to be held, the balance between different kinds of investments and expected return on investments

Policy	How has this policy been met over the Plan Year?
The Trustee’s overall investment policy is guided by the objectives outlined in Section 2.1 of this statement. The Trustee recognises that it is not necessarily possible, or even desirable, to select investments that exactly match the liabilities of the Plan. The Trustee invests in equities and other return-seeking assets because in the long-term they are expected to produce returns higher than a portfolio which is closely matched to the liabilities. The Trustee is willing to accept a degree of risk primarily because of its assessment of the strength of the employers’ covenant.	The basis of the Trustee’s strategy is to divide the Plan’s assets between a “Growth” category (comprising assets such as equities, but may include limited exposure to other growth assets), a “Property” category (comprising UK property and high lease to value property) and a "Bonds" category (comprising liability driven investment (“LDI”) assets and investment grade corporate bonds). The SAA is set to achieve the expected return required with an acceptable level of risk. In December 2018, the Trustee entered into a deed of guarantee with the Company to enhance the employer covenant. The guarantee is conditional on the Trustee maintaining a SAA in line with an agreed Investment Protocol, which can be amended by mutual agreement between the Trustee and the Company. Given the improvement in the Plan’s funding position, in March 2022 the Trustee and Company agreed to bring forward future planned de-risking by one year to bank funding gains. An amended Investment Protocol, reflecting this acceleration of de-risking, was agreed in April 2022, with the transition of assets implemented in May 2022. This resulted in a reduction in equity risk and an increase in the extent to which the DB Section’s assets are expected to match movements in the value of the Plan’s liabilities caused by changes in long-term interest rates and inflation expectations. Following the end of the Plan Year, and given the continued improvement in the Plan’s funding position, the Trustee and Company agreed to bring forward future planned de-risking by a further four years. Another amended Investment Protocol, reflecting this additional acceleration of de-risking, was agreed in October 2022, while the transition of assets required to implement de-risking was undertaken in November 2022. As at the end of the Plan Year, the SAA between the aforementioned categories was 43.5% Growth, 9.0% Property and 47.5% Bonds. This reflects the 2.0% reduction in the allocation to Growth assets and commensurate increase in the allocation to Bonds, which became effective on 1 January 2022, as well as the additional 2.0% reduction in the allocation to Growth assets that became effective in April 2022, following the agreement of the amended Investment Protocol. This does not reflect the further de-risking implemented in November 2022. In addition to the significant de-risking carried out over the Plan Year, the Trustee has reviewed the Plan’s liability hedging arrangements. This resulted in the rebalancing of the inflation hedge to improve the liability match as well as the delivery of broadly equal levels of interest rate and inflation hedging, giving rise to a more balanced risk profile overall. The Trustee has also considered the potential options for introducing further diversification within the Growth portfolio over the Plan Year, noting that the Investment Protocol permits the Trustee to invest 6.0% of the Plan’s assets in non-equity growth opportunities. The Trustee reviewed a number of asset classes against a list of key criteria to create a shortlist of four potential asset classes (secured finance, multi asset credit, high yield debt and emerging market debt). Having received further training on each of the shortlisted asset classes, the Trustee selected secured finance as its preferred asset class. The Trustee is expecting to select an investment manager for the mandate in the first half of 2023. As already mentioned, the Trustee has agreed to introduce an allocation to long-dated US corporate bonds to achieve improved diversification within the bond portfolio (amongst other things). The Trustee expects the investment with Wellington to proceed during 2023. The Trustee regards the basic distribution of the assets to be appropriate for the Plan's objectives and liability profile.

Strategic Asset Allocation ("SAA")

Kinds of investments to be held, the balance between different kinds of investments and expected return on investments (continued)

Policy

The Trustee's objective is outlined in Section 2.1 of this statement.

The Trustee recognises that members have differing investment needs and that these may change during the course of members' working lives. The Trustee regards its duty as making available a range of investment funds that will suit members' needs and risk tolerances through their working lives.

How has this policy been met over the Plan Year?

The Trustee has maintained a range of investment options for members to utilise in structuring their assets according to their individual objectives.

The Trustee believes that members should be encouraged to make their own investment decisions based on their individual circumstances. However, the Trustee recognises that members may not believe themselves qualified, or may not wish to make their own investment decisions. As such, in addition to a range of self-select fund options, the Trustee makes available a default investment strategy. This strategy aims to generate investment returns that are sufficient to provide a reasonable level of retirement benefits for members, given the level of contributions paid into the Plan. The Trustee acknowledges that this strategy will not meet the needs of every individual member.

A range of asset classes are included within the default investment option, including: equities and money market funds. The strategic asset allocation is set to achieve the expected return required to meet the objective of the default strategy in a risk controlled manner.

A similar set of asset classes as used under the default option (with the addition of index-linked gilts) has been made available for investment via the self-select fund range. Members can combine the self-select funds in any proportion in order to meet their individual needs.

The default strategy is reviewed on a triennial basis, with expected risk and return requirements being considered as part of such reviews. A review was undertaken in 2022, with the next review due to be carried out in 2025.

As a result of the 2022 review, the Trustee agreed to move from annual to quarterly lifestyle switching within the default strategy (amongst other things). This was in order to reduce the risk associated with transferring a significant proportion of members' accumulated pots from equities to cash on a single day each year, with no regard to prevailing markets. The Trustee expects to implement this change in early 2023.

Strategic Asset Allocation ("SAA")

Risks, including the ways in which risks are to be measured and managed

Policy (Sections 3.2 'Risk' and 5.2 'Risk')

The Trustee recognises a number of risks involved in the investment of the assets of the DB and DC Sections of the Plan and that the choice and allocation of investments can help to mitigate these risks. Details of these risks and how they are measured and managed can be found under Sections 3.2 and 5.2 of the SIP.

How has this policy been met over the Plan Year?

DB

The Trustee has considered both quantitative and qualitative measures of risks via quarterly reporting provided by the Investment Consultant and/or investment managers.

The Trustee continues to maintain a risk register, which sets out the key risks to which it was exposed, including investment risks. This rates the impact and likelihood of the various risks and summarises the existing mitigations and additional actions that are required. The Trustee reviewed the risk register over the course of the Plan Year and concluded that the risks identified were being appropriately managed and measured.

DC

Members of the DC Section of the Plan can combine the investment funds in any proportion in order to achieve the desired level of return and risk, in line with their own attitude and risk tolerance. Within the default option, the strategic asset allocation is set to achieve the expected return required to meet the objective of the default option in a risk controlled manner.

As already mentioned, the asset allocation of the default strategy is reviewed on a least a triennial basis, in line with regulatory requirements. The last review was undertaken in 2022. The review considered the underlying fund structure from a risk/return perspective and the Trustee is continuing to explore the options available for achieving greater diversification for members. The next review will take place in 2025.

3. Engagement Activity

The following are examples of engagement activity undertaken by the Plan's investment managers.

DB DC BlackRock's investor engagement accelerated disclosure of greenhouse gas ("GHG") emissions reduction targets

Costco, a major retailer based in the U.S., published new quantitative targets for GHG emissions reductions, including a commitment to reduce global scope 1 and 2 carbon emissions by 2% per year.

BlackRock supported the re-election of Costco's board chair given the updated climate risk disclosures provided ahead of the AGM.

BlackRock's investor engagement with the company helped accelerate the disclosure of new GHG emissions reduction targets that, once met, may help Costco effectively manage their adaptation in the energy transition.

DB Lothbury provided a vacant retail unit to aid Ukrainian refugees

Lothbury's engagement is focused on the portfolios' tenants, with tenant engagement being conducted by asset managers across the Lothbury Property Trust.

Meetings have been held quarterly at managed properties with sustainability being a standing agenda item. Meanwhile, a fit-out and sustainable operations guide is issued to all new tenants.

Over the year, Lothbury provided a vacant retail unit at Clarendon Centre, Oxford to The Oxford Polish Association for the collection of charitable goods to aid Ukrainian refugees.

DB Schroders engaged with Taiwanese company on human rights

In 2022, Schroders engaged with a Taiwanese company with exposure to Myanmar to understand what actions the company will be taking to increase suppliers signing onto the code of conduct.

DB Genesis incentivised Sanlam to provide additional clarity on remuneration

Upon reviewing the proxy materials for the AGM, Genesis had concerns around remuneration and links to performance. The company responded with additional details around restricted shares awarded and amendments to the outperformance award to the CEO.

Based on the information provided, which was detailed, Genesis concluded such changes were reasonable and decided to vote for such terms.

DB M&G influenced Thermo Fisher to establish procedures to prevent human rights violations

M&G began this engagement to ensure that US medical technology and analytical equipment business Thermo Fisher Scientific had effective policies and procedures in place to help avoid the misuse of its equipment.

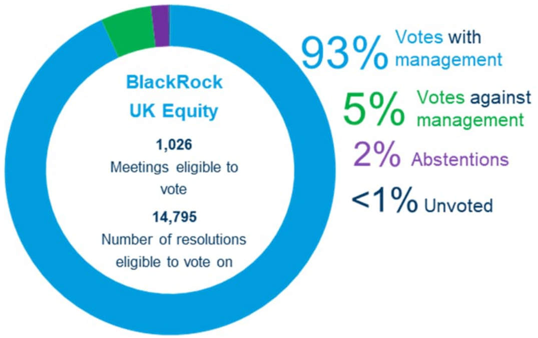
Following public reports regarding human rights violations against the Uyghur people in China's Xinjiang region, the company ceased any new sales of human identification products to Xinjiang Public Security Bureaus in March of 2019.

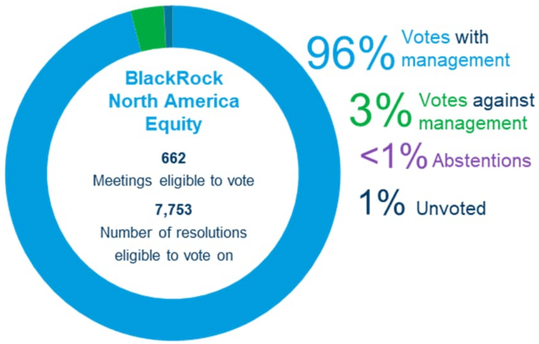
M&G met with the company and Thermo Fisher responded by improving its policies and procedures. It has adopted and implemented a Code of Business Conduct and Ethics, applicable to all directors, officers, and employees, who now receive annual training on the code.

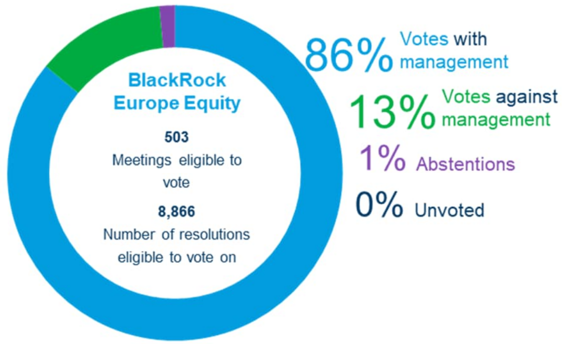
The company also implemented a multi-level purchasing process designed to prevent the ordering and resale of HID products to public security bureaus in the region, and has produced a broader list of countries it will not sell to, based on country risk assessment.

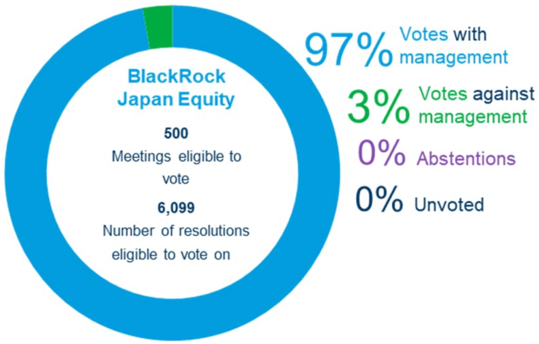
4. Voting Activity during the Plan Year

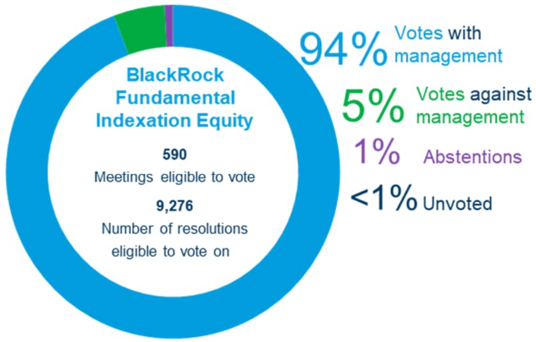
Set out below is a summary of voting activity for the relevant equity strategies within the DB Section of the Plan over the Plan Year.

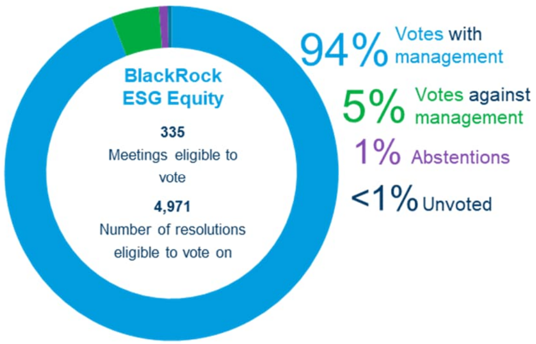


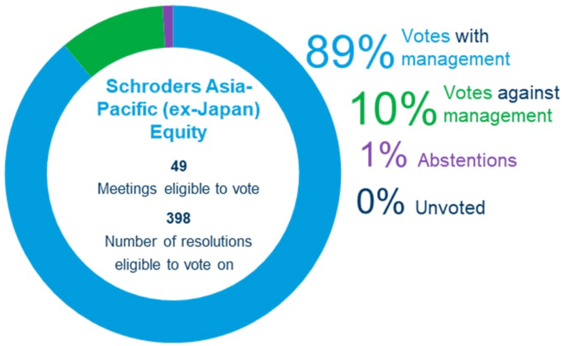


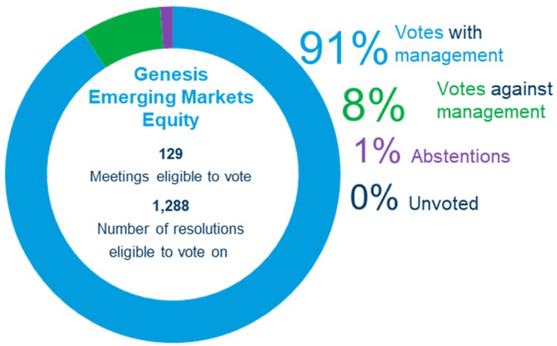












Source: Investment managers. Data may not sum due to rounding.

Sample of the most significant votes

There is no official definition of what constitutes a significant vote; managers have adopted a variety of interpretations such as: there is a particular interest in a specific vote relating to an issue; the potential impact on the financial outcome; size of the holding in the fund / mandate; and, whether the vote was high-profile or controversial.

Manager	Fund	Company	Date of vote	How the Manager voted	Rationale for Manager vote	Final outcome following the vote
BlackRock	UK Equity	Barclays Plc	4 May 2022	Voted for the approval of Barclays' Climate Strategy, Targets and Progress 2022	• Supported the proposal in recognition of the company's disclosed plan to manage climate-related risks and opportunities and the company's progress against this plan.	✓
	North America Equity	Amazon.com Inc	25 May 2022	Voted for a report on efforts to reduce plastics use	• Supported shareholders proposal due to BlackRock's assessment that shareholders would benefit from more information on company's approach to reduce plastic waste arising from their products and services.	✗
	Europe (ex-UK) Equity	Equinor ASA	11 May 2022	Voted against instructing the company to set short, medium and long term targets for GHG emissions of the company's operations	• BlackRock did not support the shareholders proposal because it believed that the company had disclosed a plan to manage climate-related risks and opportunities. BlackRock also recognised the progress Equinor had made against this plan to date.	✓
	Fundamental Indexation Equity	ExxonMobil Corporation	25 May 2022	Voted against the proposal for reduction of Company Emissions and Hydrocarbon Sales	• BlackRock voted against this proposal due to the recognition of the steps that the company had taken in the past year on setting scope 1 and 2 GHG reduction targets.	✓
	ESG Equity	Alphabet Inc	1 June 2022	Voted for the report on metrics and efforts to reduce water related risk	• BlackRock voted for the shareholder proposal to report on metrics and efforts to reduce water related risk because in the manager's assessment the shareholders would benefit from more information on the company's approach to water dependencies and impact.	✗
Schroders	Asia-Pacific (ex-Japan) Equity	Rio Tinto Group	5 May 2022	Voted against the Climate Action Plan	• Rio Tinto was seeking shareholder approval for a Climate Action Plan which displayed the Company's ambitions on emissions targets and actions to achieve these targets. Schroders voted against this item as it was concerned in particular that it was not possible to ascertain whether the company is engaging sufficiently with its customers and other stakeholders on its scope 3 emissions to support its climate action plan.	✗
Genesis	Emerging Markets Equity	Compagnie Financiere Richemont	7 September 2022	Voted against management proposal to elect Francesco Trapani as representative of Category A registered shares	• Genesis voted against the proposal because the dissident had failed to make a compelling case for why change was needed.	✓

✓ resolution passed ✗ resolution **not** passed