

Implementation Statement

Gleaner Pension Scheme

Purpose of this statement

This implementation statement has been produced by the Trustee of the **Gleaner Pension Scheme** ("the **Scheme**") to set out the following information over the year to **30 June 2024**:

- how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year, and
- the voting activity undertaken by the Scheme's investment managers on behalf of the Trustee over the year, including information regarding the most significant votes.

Conclusions

In reviewing the activities of the past year, we believe that the policies set out in the Statement of Investment Principles (SIP) have been effectively implemented. The Scheme's investment manager has demonstrated transparency in their voting and engagement activities, which aligns with the stewardship priorities of the Scheme.

However, the investment manager was not able to provide all the voting and engagement information requested. We will continue to engage with the manager to encourage them to improve the availability and quality of data.

Stewardship policy

The Trustee's Statement of Investment Principles (SIP) describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in June 2024 and has been made available online here:

[Gleaner Pension Scheme Statement of Investment Principles \(SIP\) \(schemedocs.com\)](https://schemedocs.com)

The Trustee decided not to set stewardship priorities for the Scheme. The Scheme invests entirely through pooled funds where the Scheme's assets only represent a small proportion of the capital invested in the funds. The Trustee understands that they are constrained by the policies of the manager. Additionally, none of the Scheme's assets have voting rights attached. Given the Scheme's time horizon to purchasing a bulk annuity policy with an Insurer, the Trustee decided not to set stewardship priorities.

How voting and engagement/stewardship policies have been followed

Based on the information provided by the Scheme's investment managers, the Trustee believes that its policies on voting and engagement have been met in the following ways:

- The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers.
- The Trustee receive and review voting information and engagement policies from both the asset managers and investment advisors (summarised in this report).
- Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the fund manager is in alignment with the Scheme's stewardship policies.

**Prepared by the Trustee of the Gleaner Pension Scheme
October 2024**

Voting Data

At the end of the accounting period the Scheme held no growth assets with voting rights. The Trustee fully disinvested from the Vanguard FTSE Developed World ex UK Fund on 1 February 2024. Therefore, for the majority of the accounting year, the Scheme held voting rights through this fund. This section provides a summary of the voting activity undertaken by the investment manager within the Scheme's Growth Portfolio on behalf of the Trustee over the year to **30 June 2024**. The credit fund, gilt fund and Liability Driven Investment ("LDI") portfolio with abrdn have no voting rights and limited ability to engage with key stakeholders given the nature of the mandate.

Manager	abrdn
Fund name	Vanguard FTSE Developed World ex UK Equity Index
Structure	Pooled
Ability to influence voting behaviour of manager	The pooled structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.
No. of eligible meetings	2,084
No. of eligible votes	26,584
% of resolutions voted	99%
% of resolutions abstained	0%
% of resolutions voted with management¹	96%
% of resolutions voted against management¹	4%
Proxy voting advisor employed¹	Vanguard Investment Stewardship utilizes the Institutional Shareholder Services (ISS) Proxy Exchange platform for the execution of their votes. Vanguard have developed a robust custom policy that ISS has implemented on their behalf along with rigorous controls and oversight mechanisms to ensure the accurate application of the Vanguard policy.
% of resolutions voted against proxy voter recommendation	0%

¹ As a percentage of the total number of resolutions voted on

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the Trustee over the year to be set out. The guidance does not currently define what constitutes a “significant” vote. However, recent guidance states that a significant vote is likely to be one that is linked to one or more of a scheme’s stewardship priorities/themes. As the Trustee has chosen now to set stewardship priorities, the Trustee has asked the investment managers to determine what they believe to be a “significant vote”.

abrdn have provided a selection of votes which they believe to be significant. In the absence of agreed stewardship priorities / themes, the Trustee has selected 5 votes from the manager, that cover a range of themes to represent what it considers the most significant votes cast on behalf of the Scheme. To represent the most significant votes. The votes represent a range of voting topics.

A summary of the significant votes provided is set out below.

abrdn, Vanguard FTSE Developed World ex UK Equity Index

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
Company name	Fortescue Metals Group Ltd.	National Australia Bank Limited	The Walt Disney Company	Meta Platforms, Inc.	Conagra Brands, Inc.
Approximate size of fund's holding as at the date of the vote (as % of portfolio)			Data not provided		
Summary of the resolution	Approve Remuneration Report	Elect Stephen Mayne as Director	Advisory Vote on Board Size and Related Vacancies	Amend Omnibus Stock Plan	Provide Right to Call a Special Meeting
How the manager voted	Against	Against	Against	Against	For
Rationale for the voting decision	The manager reported concern regarding compensation/ remuneration.	The manager noted that support was not warranted given Vanguard-advised funds' support of other candidate(s).	The manager determined the proposal was not aligned with Vanguard-advised funds' voting policy.	The manager noted concern regarding the alignment of equity grant practices with long-term investment returns	The manager determined the proposal was aligned with Vanguard-advised funds' voting policy.
Outcome of the vote	Fail	Fail	Fail	Pass	Pass
Implications of the outcome			Data not provided		
Criteria on which the vote is considered "significant"	Vanguard publishes significant votes at an entity level in line with the Shareholders Rights Directive II.				

Fund level engagement

The investment managers may engage with investee companies on behalf of the Trustee. The table below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds.

Engagement activities are limited for the Scheme's LDI funds due to the nature of the underlying holdings, so engagement information for these assets have not been shown. The data provided below is only available at firm level and not at strategy level. Moreover, the engagement data is at 31 December 2023, the most recent available date. abrdn have confirmed that there have been no meaningful changes to the engagement data over the period from 31 December 2023 to 30 June 2024.

Manager	abrdn	abrdn - Vanguard
Fund name	Global Income Bond Fund CDI Funds	Vanguard FTSE Developed World ex UK Equity Index
Number of entities engaged on behalf of the holdings in this fund in the year	Data only available at firm-level	Data only available at firm-level
Number of engagements undertaken at a firm level in the year	2,008	1,659

Examples of engagement activity undertaken over the year to 31 December 2023

abrdn

Name of entity engaged: ENEL SPA

Type of engagement: Firm-level

Topic: Climate Change – Human Rights and Community Relations

Rationale for the engagement:

Over 2023, abrdn have engaged with Enel, focusing on the company's response to human rights controversies, highlighted by MSCI, during construction of a renewal windfarm in Columbia. Enel faced multiple protests against the construction of the renewable energy windfarm by local indigenous communities.

abrdn also engaged with the company to follow up on their Net Zero strategy and commitment to sustainability.

Actions:

As part of their initial engagement, abrdn addressed the controversy concerning the construction of the Windpeshi windfarm in Colombia. abrdn met with Enel to discuss the company's approach to community relations in emerging markets, in particular concerning renewable projects on indigenous land. As part of this engagement, abrdn encouraged Enel to formalise the process of providing written documents in local languages. abrdn provided milestones for the company to follow including:

- ensuring all documentation and signed and written agreements during community consultations are provided in local languages; and
- enhancing disclosure of the company's processes for engaging with additional groups on Enel's website.

abrdn also recommended that Enel review its current processes for engagement with indigenous groups against internationally recognised standards.

Towards the end of 2023, abrdn met with Enel to discuss the company's net zero strategy.

Vanguard

Name of entity engaged: Top Glove Corp. Bhd.

Type of engagement: Firm-level

Topic: Workers' rights

Rationale for the engagement

Top Glove is a Malaysian rubber glove manufacturer. Vanguard engaged with the company to discuss how the company monitors material risks across its supply chain. These risks were highlighted by allegations related to the use of forced labour and improper working conditions during the COVID-19 pandemic. Vanguard sought to understand how the company addressed these risks and what measures had been implemented to avoid recurrence of these issues.

Actions

Vanguard's Investment Stewardship team met with company leaders of Top Glove, who informed the manager of steps taken to address these material risks. The company reported paying over \$30 million in remediation to migrant workers and detailed steps taken to improve labour conditions at its facilities. Vanguard shared their views on the importance of board oversight of material risks, including labour-related risks, along with engagement between shareholders and independent directors.

Outcomes and next steps

Top Glove noted that they have been aiming to implement higher labour rights standards beyond those required under Malaysian regulations. Top Glove also noted that the company was retaining external consultants to help with managing a new workers' grievance channel. The company reported finding industry initiatives to be helpful in navigating global labour requirements.