

International Planned Parenthood Federation Central Office Pension Fund Implementation Statement Year Ending 30 June 2022

Glossary

ESG	Environmental, Social and Governance
Investment Adviser	First Actuarial LLP
Scheme	International Planned Parenthood Federation Central Office Pension Fund
Scheme Year	1 July 2021 to 30 June 2022
SIP	Statement of Investment Principles
UNPRI	United Nations Principles for Responsible Investment

Introduction

The Trustee has reviewed the extent to which their policy relating to the exercise of rights (including voting rights) attaching to the investments was followed over the Scheme Year and this statement confirms the outcome of that review.

In addition, the statement summarises the voting record of the Scheme's investment manager and provides information on the significant votes made in respect of the Trustee's equity holdings. Information is also provided on how the Scheme's investment manager makes use of the services of proxy voting advisers.

Relevant Investments

The Scheme's assets are invested in pooled funds and some of those funds include an allocation to equities. Where equities are held, the investment manager has the entitlement to vote.

At the end of the Scheme Year, the Scheme invested in the following funds which included an allocation to equities:

- BNY Mellon Real Return Fund (managed by Newton)
- Insight Broad Opportunities Fund*

*The Insight Broad Opportunities Fund gains access to equity markets via derivatives and so does not have voting rights associated with its equity exposure.

The fund does gain access to areas such as infrastructure via funds known as investment companies. These take the legal structure of a UK listed company and as such there are voting rights attaching to these investments. However, the Trustee does not regard these voting rights as being material or significant in the context of the overall Scheme and has therefore not analysed Insight's voting record.

The Trustee's Policy Relating to the Exercise of Rights

Summary of the Policy

The Trustee's policy in relation to the exercise of rights (including voting rights) attaching to the investments is set out in the SIP, and a summary is as follows:

- The Trustee wishes to encourage best practice in terms of activism. The Trustee accepts that by using pooled investment vehicles, the day-to-day application of voting rights will be carried out by the Investment Managers. Consequently, the Trustee expects the Fund's Investment Managers to adopt a voting policy that is in accordance with best industry practice.
- The Trustee expects its Investment Managers, when exercising discretion in investment decision making, to take financially material ESG factors into account. On an ongoing basis the Trustee (delegating to the Investment Consultant where appropriate) assesses the ESG integration capability of its Investment Managers.
- The Trustee believes that in order to protect and enhance the value of the investments, over the time horizon over which the benefits are paid, it must act as a responsible asset owner. The Trustee expects its Investment Managers to exercise its ownership rights, including voting and engagement rights, in order to safeguard sustainable returns over this time frame. On an ongoing basis the Trustee (delegating to the Investment Consultant where appropriate) assesses the stewardship and engagement activity of its Investment Managers.

- Where ESG factors are non-financial (i.e. they do not pose a risk to the prospect of the financial success of the investment) the Trustee believes these should not drive investment decisions. The Trustee expects its Investment Managers, when exercising discretion in investment decision making, to consider non-financial factors only when all other financial factors have been considered and in such a circumstance the consideration of non-financial factors should not lead to a reduction in the efficiency of the investment. Members' views are not sought on non-financial matters (including ESG and ethical views) in relation to the selection, retention and realisation of investments.
- Neither does the Trustee directly incentivise the Investment Managers to make decisions about the medium to long-term performance of an issuer of debt or equity, or to engage with those issues to improve their performance. The Trustee expects such assessment of performance and engagement to be undertaken as appropriate and necessary to meet the investment objectives of the funds used by the Scheme.

Has the Policy Been Followed During the Scheme Year?

The Trustee's opinion is that their policy relating to the exercise of rights (including voting rights) attaching to the investments has been followed during the Scheme Year. In reaching this conclusion, the following points were taken into consideration:

- There has been no change to the Trustee's belief regarding the importance of good stewardship.
- The Scheme's invested assets remained invested in pooled funds over the period.
- During the Scheme Year, the Trustee considered the voting records of the investment managers over the period ending 30 June 2021.
- Since the end of the Scheme Year, an updated analysis of the voting records of the investment managers based on the period ending 30 June 2022 has been undertaken as part of the work required to prepare this Implementation Statement. A summary of the key findings from that analysis is provided below.
- The investment manager used by the Scheme is a UNPRI signatory.

The Investment Manager's Voting Record

A summary of the investment manager's voting record is shown in the table below.

Investment Manager	Number of votes	Split of votes:		
		For	Against / withheld	Did not vote/ abstained
Newton	7,800	86%	12%	2%

Notes

These voting statistics are based on the manager's full voting record over the 12 months to 30 June 2022 rather than votes related solely to the funds held by the Scheme.

Use of Proxy Voting Advisers

Investment Manager	Who is their proxy voting adviser?	How is the proxy voting adviser used?
Newton	ISS	Only used in the case of a conflict of interest

The Investment Manager's Voting Behaviour

The Trustee has reviewed the voting behaviour of the investment manager by considering the following:

- broad statistics of their voting record such as the percentage of votes cast for and against the recommendations of boards of Directors (i.e. "with management" or "against management");
- the votes they cast in the year to 30 June 2022 on the most contested proposals in nine categories across the UK, the US and Europe;
- the investment manager's policies and statements on the subjects of stewardship, corporate governance and voting.

The Trustee has also compared the voting behaviour of the investment manager with its peers over the same period.

The Trustee's key observations are set out below.

Voting in Significant Votes

Based on information provided by the Trustee's Investment Adviser, the Trustee has identified significant votes in nine separate categories. The Trustee considers votes to be more significant if they are closely contested. i.e. close to a 50:50 split for and against. A closely contested vote indicates that shareholders considered the matter to be significant enough that it should not be simply "waved through". In addition, in such a situation, the vote of an individual investment manager is likely to be more important in the context of the overall result.

The five most significant votes in each of the nine categories based on shares held by the Scheme's investment manager are listed in the Appendix. In addition, the Trustee considered the investment manager's overall voting record in significant votes (i.e. votes across all stocks not just the stocks held within the funds used by the Scheme).

Analysis of Voting Behaviour

The Trustee has no concerns regarding the voting record of Newton.

In the Director proposals which have been identified as being the most significant, Newton has demonstrated a willingness to vote against management on a broad range of issues.

Newton has also shown a willingness to use its voting rights to support shareholders bringing proposals aimed at tackling a broad range of ESG issues.

Conclusion

Based on the analysis undertaken, the Trustee has no material concerns regarding the voting records of Newton.

The Trustee will keep the voting actions of the investment manager under review.

Rosemary Kennell

Date: 10 January 2023

Signed on behalf of the Trustee of the International Planned Parenthood Federation Central Office Pension Fund

Significant Votes

The table below records how the Scheme's investment manager voted in the most significant votes identified by the Trustee.

Company	Meeting Date	Proposal	Votes For (%)	Votes Against (%)	Newton
Audit & Reporting					
ALSTOM SA	28/07/2021	Renew Appointment of PricewaterhouseCoopers Audit as Auditor	84	16	Not held
NATIONAL EXPRESS GROUP PLC	11/05/2022	Reappoint Deloitte LLP as Auditors	85	15	For
ECOLAB INC.	05/05/2022	Appoint the Auditors	90	10	Against
SALESFORCE.COM INC	09/06/2022	Ratify Ernst & Young LLP as Auditors	92	8	For
LINDE PLC	26/07/2021	Appoint PricewaterhouseCoopers as the Auditors	92	8	Against
Shareholder Capital & Rights					
UNIVERSAL MUSIC GROUP N.V.	12/05/2022	Issuance of Shares for Long-Term Incentive Plan	78	21	For
Pay & Remuneration					
AMAZON.COM INC.	25/05/2022	Advisory Vote on Executive Compensation	56	44	Against
LENNAR CORPORATION	12/04/2022	Advisory Vote on Executive Compensation	63	37	Against
FIDELITY NATIONAL INFORMATION SERVICES INC.	25/05/2022	Advisory Vote on Executive Compensation	64	35	For
APPLE INC	04/03/2022	Advisory Vote on Executive Compensation	64	35	Against
GENERAL ELECTRIC COMPANY	04/05/2022	Advisory Vote on Executive Compensation	65	34	Against
Constitution of Company, Board & Advisers					
TE CONNECTIVITY LTD	09/03/2022	Amend Article 5	50	50	Against
ECOLAB INC.	05/05/2022	Elect John J. Zillmer - Non-Executive Director	58	41	For
ALCON AG	27/04/2022	Elect Keith Grossman - Non-Executive Director	66	34	For
Merger, Acquisition, Sales & Finance					
THE RENEWABLES INFRASTRUCTURE GROUP	27/05/2022	Approve Investment Policy	100	0	For
GREENCOAT UK WIND PLC	28/04/2022	Amend Investment Policy	99	0	For
Climate Related Resolutions					
ANGLO AMERICAN PLC	19/04/2022	Say on Climate	92	6	For
Other Company Resolutions					
TE CONNECTIVITY LTD	09/03/2022	Allow Proxy Solicitation	62	38	Against
ANGLO AMERICAN PLC	19/04/2022	Meeting Notification-related Proposal	87	12	For
ASTRAZENECA PLC	29/04/2022	Meeting Notification-related Proposal	88	12	For
Governance & Other Shareholder Resolutions					
APPLE INC	04/03/2022	Shareholder Resolution: Report on Concealment Clauses	49	49	For
ABBOTT LABORATORIES	29/04/2022	Shareholder Resolution: adopt a policy for Rule 10b5-1 plans	49	51	For
TEXAS INSTRUMENTS INCORPORATED	28/04/2022	Shareholder Resolution: Right to Call Special Meetings	47	52	For
AMAZON.COM INC.	25/05/2022	Shareholder Resolution: Report on Lobbying Payments and Policy	47	52	For
LOCKHEED MARTIN CORPORATION	21/04/2022	Shareholder Resolution: Right to Call Special Meetings	46	53	For
Environmental & Socially Focussed Shareholder Resolutions					
AMAZON.COM INC.	25/05/2022	Shareholder Resolution: Report on Efforts to Reduce Plastic Use	49	51	For
APPLE INC	04/03/2022	Shareholder Resolution: Civil Rights Audit	53	46	For
MICROSOFT CORPORATION	30/11/2021	Shareholder Resolution: Report on Gender and Racial Pay Gap	40	59	For
THE HOME DEPOT INC	19/05/2022	Shareholder Resolution: Report on Deforestation	64	35	For
NIKE INC.	06/10/2021	Shareholder Resolution: Report on Diversity and Inclusion Efforts	35	64	Against

Note

Where the voting record has not been provided at the fund level, we rely on periodic information provided by investment managers to identify the stocks held. This means it is possible that some of the votes listed above may relate to companies that were not held within the Scheme's pooled funds at the date of the vote. Equally, it is possible that there are votes not included above which relate to companies that were held within the Scheme's pooled funds at the date of the vote.