

Manpower Pension Plan – Implementation Statement for the year ending 31 December 2024

Introduction

The Trustees have prepared this Implementation Statement in accordance with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the Pensions Regulator's General Code of Practice. It sets out how the Trustees have complied with the Manpower Pension Plan's Stewardship Policy and Statement of Investment Principles during the period 1 January 2024 to 31 December 2024.

Overall, the Trustees are satisfied that:

- The Plan's investments have been managed in accordance with the Plan's Stewardship Policy during the period;
- The Plan's investments have been managed in accordance with the remainder of the Plan's Statement of Investment Principles; and
- The provisions of the Statement of Investment Principles, including the default arrangement and other investment options, remain suitable for the Plan's members.

The Trustees are committed to managing the Plan's assets prudently and responsibly, and this statement outlines clearly how investment governance, stewardship policies, and voting and engagement practices align with regulatory standards, member expectations, and the Trustees' long-term investment beliefs. The Trustees remain confident that the Plan's investments are suitable, well-governed, and continue to represent average value for members.

Statement of Investment Principles ('SIP')

The SIP sets out the principles and practices the Trustees follow when governing the Plan's investments. It describes the rationale for selecting the investment strategy and explains the risks and expected returns of the funds used, as well as the Trustees' approach to responsible investing (including climate change).

The Trustees reviewed and updated the SIP during the period, in May 2024. The updates reflect regulatory changes, including the Trustees' policy on investing in illiquid assets, which is set out on pages 9 and 10 of the SIP.

The next formal review of the SIP is scheduled for review no later than May 2027.

The Trustees have prepared this Implementation Statement on the basis of the SIP in force at May 2024, with reporting within this document in line with the SIP applicable at the relevant time.

The Plan's SIP can be consulted online at

<https://www.manpower.co.uk/staticpages/11031/manpower-pension-plan-documents/>.

Investment governance

The primary objective of the Plan is to provide pension and lump sum benefits for members on their retirement and/or benefits on death, before or after retirement, for their dependants, on a defined contribution basis (sometimes called money purchase benefits). This means that the size of benefits will depend on how much the funds where savings were invested have grown over the years.

The Trustees have overall responsibility for how the Plan's investments are governed and managed, in accordance with the Plan's Trust Deed and Rules, as well as Trust Law, Pensions Law and Pension Regulations.

The Trustees have elected to delegate day-to-day investment decisions, such as which investments to buy and sell, to their investment adviser, platform provider and the fund managers.

The Plan uses funds provided through an investment platform. This investment platform in turn invests its funds in funds provided by a selection of fund managers where investments are pooled with other investors. This enables the Plan to invest in a range of funds giving a good spread of investments in a cost-effective manner. It does mean that the Trustees have delegated day to day investment decisions including the management of financially material considerations to the fund managers. When selecting funds, the Trustees will ask their investment advisor to consider the investment managers' fees and appropriateness of each fund's investment guidelines.

Ongoing assessment is carried out in the following ways:

- In accordance with the 2015 Regulations, the Trustees conduct an annual Value for Members assessment and will take action should the providers be found to be giving poor value.
- In addition, in accordance with guidance from the Pensions Regulator, the Trustees will periodically review the Plan's choice of providers to ensure their charges and services remain competitive.
- On a quarterly basis, the Trustees monitor the investment managers' long-term (at least 3 year) performance against appropriate benchmarks or targets.
- The investment managers are expected to provide explanations for any significant divergence from a fund's objectives or benchmark / target returns. A material deviation from performance and risk targets is likely to result in the fund being formally reviewed.
- The Trustees also undertake a review at least every three years of the overall appropriateness of the investment options for members.

Trustee training

The Trustees undertook the following training sessions during the year to ensure that their knowledge remains up to date:

Date	Topic	Aim	Trainer
20 June 2024	ESG integration in portfolios training	Trustee knowledge series 2024: ESG in action: integrating climate and nature factors into portfolios.	LGIM
2 July 2024	DEI training	Navigating DEI – insight and good practice for inclusive pension schemes.	PMI
3 October 2024	Legislative training	Annual legal training update covering legislative changes, to maintain the Trustees' knowledge and skills.	Squire Patton Boggs

Investment consultant's objectives

The Trustees monitor how well the Plan's investment adviser meets the objectives agreed with them, which are designed to align with the Trustees' own objectives and investment strategy set out in the SIP. The Trustees have set the following objectives for the adviser:

- Deliver an investment approach for the default option that maximises risk-adjusted real returns for members (noting that the concept of risk can change throughout a member's career);
- Provide advice in relation to the self-select range that incorporates sufficient choice for members to meet their own needs in terms of investment return, investment risk and retirement choices, reflecting member feedback where relevant;
- Deliver cost efficient implementation of new strategies as required;
- Provide relevant and timely advice;
- Develop Trustees' knowledge and understanding of investment matters;
- Provide services to support the Trustees' ongoing governance which shall be proportionate and competitive in terms of costs relative to the adviser's peer group;
- Develop the Trustees' policies and beliefs, including those in relation to Responsible Investment; and
- Ensure our advice complies with relevant pensions regulations, legislation and supporting guidance.

The Trustees review the suitability of the consultant's objectives each year at the Trustees' meeting and assess the performance of the consultant with regards to these objectives at least once a year. Overall, the Trustees were satisfied that the consultant had achieved their objectives over the year ending 31 December 2024.

The Trustees have developed a set of Investment Beliefs which they use as a guide when making investment decisions. These beliefs are set out in the SIP on pages 3 to 10. They were considered and used to help inform decision making with respect to the Plan's investments over the reporting period.

The investment risks relating to the Plan are described in the Statement of Investment Principles, pages 3 to 5, and the expected return is set out page 6.

The Trustees' views on the expected levels of investment risk and return inform decisions on the strategic asset allocation (i.e., what type of assets and areas of the world the Plan invests in over the longer-term), and the style of management adopted by the Plan.

Conflicts of interest

The Plan has conflicts of interest policies in place. These policies apply to the Plan's service providers, including the platform provider, fund managers and investment adviser.

The Trustees formally ask service providers to confirm any conflicts of interest when the Trustees meet with them. In addition, as the funds used by the Plan are held at arms-length from the Trustees via an investment platform, the Trustees have asked the platform provider to report on its investment governance of the funds, including conflicts of interest.

The Plan's service providers have not disclosed any actual or potential conflict over the period.

Default arrangement and other investment options

The objectives and rationale for the Plan's default arrangement are set out in the SIP, page 13, and for the other investment options, page 14.

The Trustees regularly review the performance of each fund in which the Plan invests against its stated performance objective. The Trustees receive investment performance monitoring reports on a quarterly basis.

The Trustees monitor the suitability of the objectives for the default arrangement and for the other investment options and performance (after the deduction of charges) against these objectives at least every three years and without delay after any significant change in: (i) investment policy; or (ii) the demographic profile of the membership.

The Trustees carried out a triennial review on the suitability of the default arrangement and other investment options in September 2023. The Trustees were satisfied that these options remain suitable for most members and no changes were made to the strategy following this review. The next review of investment options will take place no later than September 2026.

Platform provider and fund managers

The funds used by the Plan are held at arms-length from the Trustees via an investment platform.

The Trustees monitor the service from the platform provider used by the Plan.

The Trustees regularly monitor and review the performance of the funds in which the Plan invests against both the funds' stated performance objectives and the investment objectives of the Plan.

Value for members

The value for members assessment for the year to 31 December 2024 concluded that the Plan represented average value relative to comparable schemes. The Trustees annually monitor the costs borne by the Plan in relation to investments, in line with the Department for Work and Pensions' Value for Money Framework.

The Trustees seek to ensure that fund managers are suitably incentivised to deliver investment performance in keeping with the fund's objectives. The Trustees believe it is in the platform provider's best commercial interest to ensure fund managers are suitably incentivised to meet their fund's investment objectives.

Scheme year investments

The Plan's Chair's Statement includes information on the nature of the Plan's assets (page 4 to 5), the security of these assets (page 18), and the performance of the Plan's investments (page 7 to 8).

The Plan's Chair Statement can be found at

<https://www.manpower.co.uk/staticpages/11031/manpower-pension-plan-documents/>.

Portfolio duration

The Trustees recognise the long-term nature of defined contribution pension investments and chooses funds which are expected to deliver sustainable returns over the Plan members' investment horizon. The Trustees will carry out necessary due diligence on the underlying investment decision making process, to ensure the manager makes investment decisions over an appropriate time horizon aligned with the objectives for the related investment option.

The Trustees expect that each fund will be used for the long-term, though all funds are subject to ongoing review against various financial and non-financial metrics in addition to their continued appropriateness within the investment strategy.

Realisation of investments

The Trustees aim to ensure that members' contributions are invested promptly in the Plan's default arrangement or other investment options, and that savings can be taken out from the funds used by the Plan without delay.

Stewardship Policy

The Trustees Stewardship Policy sets out how the Trustees will behave as an active owner of the Plan's assets. It includes the Trustees' approach to:

- The exercise of voting rights attached to assets;
- Undertaking engagement activity, including how the Trustees monitor and engage with their investment managers and other stakeholders; and

The Plan's Stewardship Policy can be found within the Plan's SIP, pages 20 and 21.

The Plan's Stewardship Policy is being reviewed in line with the Plan's SIP, which was last updated May 2024.

As the Plan's investments are held at arms-length from the Trustees via an investment platform, the Trustees are not able to instruct fund managers how they should vote on shareholder issues.

Nevertheless, the Trustees believe it is important that fund managers take an active role in the supervision of the companies in which they invest, both by voting at shareholder meetings and engaging with management on issues which affect a company's financial performance, and by extension the value of the Plan's investments.

The Trustees receive reports on fund managers' voting and engagement activity from the fund managers on a periodic basis.

The Trustees' own engagement activity is focused on meeting with fund managers on a regular basis to discuss stewardship issues in further detail, as well as periodically reviewing the platform provider's and fund managers' approach to stewardship, including their engagement and voting policies.

The Trustees also monitor their compliance with the Plan's Stewardship Policy on a regular basis and are satisfied that they have complied with that Policy over the Plan year.

Voting activity

The Trustees seek to ensure that fund managers are exercising voting rights and, where appropriate, monitor managers' voting patterns. The Trustees also monitor votes cast by managers on particular companies or issues that affect more than one company.

The Plan's fund managers have reported on how votes were cast over the past year as set out below.

LGIM

LGIM fund	World Equity	Retirement Income Multi Asset Fund (RIMA)	Dynamic Diversified Fund (DDF)	Global Equity Fixed Weights (50:50) Index Fund
Proportion of Manpower Pension Plan's assets	28	1	38	24
No. of meetings eligible to vote at during the year	2,912	10,486	10,177	2,971

No. of resolutions eligible to vote on during the year	35,750	106,438	102,973	37,861
% of resolutions voted	99.7%	99.8%	99.8%	99.7%
% of resolutions voted with management	79.3%	77.2%	76.7%	81.9%
% of resolutions voted against management	20.4%	22.1%	22.6%	17.8%
% of resolutions abstained	0.3%	0.7%	0.7%	0.3%
% of meetings with at least one vote against management	74.6%	70.8%	71.8%	69.3%

Source: LGIM, 31 December 2024

Across all funds, LGIM voted broadly in line with management recommendations (c.77%-82%) but regularly challenged management on ESG issues. The Trustees view this active stance positively.

The Trustees also consider how the fund managers voted on specific issues. The Trustees consider 'significant votes' to be either companies with relatively large weightings in the funds members invest in, or where there were shareholder issues that members are expected to have an interest. The most significant shareholder votes and how the fund managers voted during the last year were:

Date	Company	Subject and manager vote	Rationale
28 February 2024	Apple	Report on Risks of Omitting Viewpoint and Ideological Diversity from EEO Policy	A vote against this proposal is warranted, 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 does not appear to be a standard industry practice.
10 December 2024	Microsoft	Report on AI Data Sourcing Accountability	A vote for this resolution is warranted as the company is facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While the company has strong disclosures on its approach to responsible AI and related risks, shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models

21 May 2024	Shell	Approve the Shell Energy Transition Strategy	<p>A vote against is applied. They acknowledge the substantive progress the company has made in respect of climate related disclosure over recent years, and LGIM view positively the commitments made to reduce emissions from operated assets and oil products, the strong position taken on tackling methane emissions, as well as the pledge of not pursuing frontier exploration activities beyond 2025.</p> <p>Nevertheless, in light of the revisions made to the Net Carbon Intensity (NCI) targets, coupled with the ambition to grow its gas and LNG business this decade, they expect the company to better demonstrate how these plans are consistent with an orderly transition to net-zero emissions by 2050. In essence, they seek more clarity regarding the expected lifespan of the assets Shell is looking to further develop, the level of flexibility in revising production levels against a range of scenarios and tangible actions taken across the value chain to deliver customer decarbonisation.</p> <p>Additionally, they would benefit from further transparency regarding lobbying activities in regions where hydrocarbon production is expected to play a significant role, guidance on capex allocated to low carbon beyond 2025 and the application of responsible divestment principles involved in asset sales, given portfolio changes form a material lever in Shell's decarbonisation strategy.</p>
1 May 2024	Unilever	Approve Climate Transition Action Plan	<p>A vote for is applied as they understand it to meet LGIM's minimum expectations. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short, medium and long-term GHG emissions reduction targets consistent with a 1.5°C Paris goal. Despite the SBTi recently removing their approval of the company's long-term scope 3 target, they note that the company has recently submitted near term 1.5 degree aligned scope 3 targets to the SBTi for validation and therefore at this stage believe the company's ambition level to be adequate. They therefore remain</p>

			supportive of the net zero trajectory of the company at this stage.
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Source: LGIM, 31 December 2024

Additional Voluntary Contributions ('AVC') section – Prudential

The AVC funds with voting rights that are available to members with AVC policies are listed below along with summary voting statistics for each fund.

- Prudential Discretionary Fund S3
- Prudential Global Equity Fund S3
- Prudential International Equity Fund S3
- Prudential With-Profits Cash Accumulation Fund

Prudential funds	Discretionary Fund S3	Global Equity Fund S3	International Equity Fund S3	With-Profits Cash Accumulation Fund
No. of meetings eligible to vote at during the year	2,575	2,527	1,449	4,291
No. of resolutions eligible to vote on during the year	34,612	34,536	17,536	51,817
% of resolutions voted	99.0%	99.0%	99.2%	99.1%
% of resolutions voted with management	93.8%	93.9%	90.4%	92.5%
% of resolutions voted against management	5.5%	5.4%	8.5%	6.8%
% of resolutions abstained	0.7%	0.7%	1.2%	0.7%
% of meetings with at least one vote against management	50.4%	49.4%	41.0%	35.3%

Source: Prudential, 31 December 2024

Voting records from Prudential are monitored by Trustees annually. Although less detailed than LGIM's reporting, Prudential's overall voting pattern aligns with Trustees' expectations for responsible stewardship.

Use of a proxy adviser

The Plan's fund managers have made use of the services of the following proxy voting advisers over the scheme year:

Manager	Proxy voting adviser
Legal and General Investment Management ('LGIM')	<p>LGIM's Investment Stewardship team uses ISS's 'Proxy Exchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions. LGIM's use of ISS recommendations is purely to augment their own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services (IVIS) to supplement the research reports that we receive from ISS for UK companies when making specific voting decisions.</p> <p>To ensure LGIM's proxy provider votes in accordance with their position on ESG, LGIM have put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what they consider are minimum best practice standards which they believe all companies globally should observe, irrespective of local regulation or practice.</p> <p>LGIM retain the ability in all markets to override any vote decisions, which are based on their custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) that allows them to apply a qualitative overlay to their voting judgement. They have strict monitoring controls to ensure LGIM's votes are fully and effectively executed in accordance with their voting policies by their service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform them of rejected votes which require further action.</p>
Prudential	<p>Prudential use research provided by ISS and the Investment Association; and use the Proxy Exchange platform from ISS for managing their proxy voting activity.</p>

Engagement activity

Plan's Stewardship Policy should detail the Trustees' approach to 'undertaking engagement activities in respect of the investments, including how and when they would monitor and engage with investment managers (and other relevant entities including issuers and holders of debt/equity) about matters concerning an issuer of debt or equity, including their performance, strategy, risks, social and environmental impact and corporate governance.

The Trustees have committed to reviewing the Responsible Investment policies of the platform provider and fund managers used by the Plan on a periodic basis. The review considers the broader approach to Responsible Investment issues of the service providers in scope, as well as any change in approach. The Trustees also consider changes to voting policies.

The Trustees and their investment adviser remain satisfied that the platform provider's and fund managers' Responsible Investment policies and, where appropriate, their voting policies remain suitable for the Plan.

Ethical investing

The Trustees recognise that some members may have strong views on where their pension savings should be invested. Whilst the Trustees recognise that it is not possible to cater for all views on non-financial/ethical matters, the Trustees nonetheless invite members to give their feedback on the Plan's fund range and potential inclusion of ethical or ESG-tilt funds.

The Trustees monitor developments in ethical investing funds which could be appropriate to the Plan's members. However, the Trustees recognise a distinction between ethical investing and responsible investing: while responsible investing focuses on portfolio value protection, ethical investing pertains more to the implementation of ethical values by restricting or excluding factors from the investment portfolio.

Members' views

The Trustees are keen to encourage feedback from members on the running of the Plan including topics such investment, administration services and communications.

Members can provide feedback on an ad hoc basis by contacting the Plan administrators via email at manpower.queries@hymans.co.uk

We hope that this Statement helps you understand how your Plan has been managed over the year.

Prepared by the Trustees of Manpower Pension Plan

April 2025