Engagement Policy Implementation Statement (“EPIS”)

GE Energy Pension Scheme (the “Scheme”)

Scheme Year End – 31 March 2024

The purpose of the EPIS is for us, the Trustee of the GE Energy Pension Scheme, to explain what we have done during the year ending 31 March 2024 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. How our policies in the SIP about asset stewardship (including engagement and voting activity if relevant) in relation to the Scheme’s investments have been followed during the year; and
2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the ‘most significant’ votes cast over the reporting year where applicable.

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| Our conclusion**Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.** Over the reporting year, the Scheme did not hold any investments with voting rights. Therefore, no voting rights have been exercised on our behalf over the year. In our view, most of the Scheme’s material investment managers were able to disclose adequate evidence of engagement activity, and the activities completed by our managers align with our stewardship expectations. We delegate the management of the Scheme’s assets to our fiduciary manager, State Street Global Advisers (“SSGA”), and we are comfortable with the management and the monitoring of ESG integration and stewardship of the underlying managers that has been carried out on our behalf. |

How engagement policies have been followed

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which Environmental Social Governance (“ESG”) issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

*Source: UN PRI*

The Scheme is invested mostly in pooled funds, and so the responsibility for engagement is delegated to the Scheme’s investment managers, which is in line with our policy. We reviewed the stewardship activity of the material investment managers carried out over the Scheme year and in our view, most of the investment managers were able to disclose adequate evidence of engagement activity. More information on the stewardship activity carried out by the Scheme’s investment managers can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Scheme’s investments on a quarterly basis and received updates on important issues from our fiduciary manager, State Street Global Advisers (“SSGA”), and investment adviser, Aon Investments Limited (“Aon”).

Each year, we review the engagement policies of the Scheme’s investment managers to ensure they align with our own policies for the Scheme and help us to achieve them.

The Scheme’s stewardship policy can be found in the SIP, which can be accessed [here](https://www.mygepension.com/assets/uploads/GE-Energy-Pension-Scheme-SIP.pdf) https://www.mygepension.com/assets/uploads/GE-Energy-Pension-Scheme-SIP.

Our Engagement Action Plan

State Street as our fiduciary manager will continue to engage with our investment managers to get a better understanding of their engagement practices, and how these help us fulfil our Responsible Investment policies. We will also encourage our managers to improve the quality and completeness of their reporting on engagement where possible.

What is fiduciary management?

Fiduciary management is the delegation of some, or all, of the day-to-day investment decisions and implementation to a fiduciary manager. But the trustees still retain responsibility for setting the high-level investment strategy.

In fiduciary management arrangements, the trustees will often delegate monitoring ESG integration and asset stewardship to its fiduciary manager.

Our fiduciary manager’s engagement activity

We delegate the management of the Plan's defined benefit assets to our fiduciary manager, State Street Global Advisers (“SSGA”). SSGA manages the Plan's assets in a range of funds which can include multi-asset, multi-manager and liability matching funds. SSGA selects the underlying investment managers on our behalf.

We delegate monitoring of ESG integration and stewardship of the underlying managers to SSGA. We receive annual reports on stewardship activity carried out by our fiduciary manager via the Trustees of the Common Investment Fund. These reports include voting and engagement information. We believe SSGA is using its resources to effectively influence positive outcomes in the funds in which it invests.

Following the demerger of the GE Vernova business group from the GE Company, GEEPS ceased to participate in the GE Common Investment Fund from 2 April 2024. This event had no impact on the Trustee’s stewardship and engagement policies.

Our underlying managers’ engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Scheme’s material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e., not necessarily specific to the funds invested in by the Scheme.

| Funds | Number of engagements | Themes engaged on at a fund/ firm level |
| --- | --- | --- |
|  | Fund level | Firm level |  |
| Insight Investment Management UK Corporate Long Maturities Bond Fund | 142 | 2,628 | Environment - Climate change, Natural resource use/impact (e.g., water, biodiversity)Social - Human capital management (e.g., inclusion & diversity, employee terms, safety), Conduct, culture and ethics (e.g., tax, anti-bribery, lobbying)Governance - Board effectiveness - Independence or Oversight, RemunerationStrategy, Financial and Reporting - Capital allocation, Financial performance, Strategy/purpose, Risk management (e.g. operational risks, cyber/information security, product risks) |
| BlackRock Fixed Interest Bond Fund | 105 | 3,742 | Environment - Climate Risk Management, Other company impacts on the environment.Social - Human Capital Management, Social Risks and OpportunitiesGovernance - Corporate Strategy, Business Oversight/Risk Management, Board Composition and Effectiveness, Sustainability Reporting |
| Dodge & Cox Worldwide Fund Global Bond Fund | Not provided | Not provided | Social - Compensation Plan, Executive Compensation, Board Composition. Animal Health |
| M&G Public Debt Fund | 9 | 331 | Environment - Climate changeSocial - Human capital management (e.g. inclusion & diversity, employee terms, safety)Governance - Board effectiveness - Independence or Oversight, Remuneration |
| Western Asset Management Multi-Asset Credit Fund | 18 | 129 | Environment - Climate changeSocial - Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety)Governance - Board effectiveness - OtherStrategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting) |

*Source: Managers. Dodge & Cox did not provide fund level themes; themes provided are at a firm-level.*

Data limitations

At the time of writing, Dodge & Cox did not provide information on the number of engagements conducted. Additionally, the manager did not provide fund level engagement themes, the themes provided were at a firm-level.

This report does not include commentary on the Scheme’s investment in gilts and cash because of the limited materiality of stewardship to these asset classes.