IMPLEMENTATION STATEMENT

Introduction

This statement sets out how, and the extent to which, the Engagement Policy in the Statement of Investment Principles ('SIP') produced by the Trustee of the Hewlett-Packard Limited Retirement Benefits Plan (the "Plan") has been followed during the year to 31 October 2021. This statement has been produced in accordance with the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the guidance published by the Pensions Regulator.

Details of the Plan's AVCs arrangements are not included in this section as they are not considered significant in relation to the overall investments of the Plan.

Investment Objectives of the Plan

The Trustee believes it is important to consider the policies in place in the context of the investment objectives they have set. The primary objective of the Plan included in the SIP is to provide, on a defined benefits basis, pension and lump sum benefits for members on their retirement, or benefits on death, before or after retirement, for their dependents

Policy on ESG, Stewardship and Climate Change

The Plan's SIP includes the Trustee's policy on Environmental, Social and Governance ('ESG') f actors, stewardship and Climate Change. This policy sets out the Trustee's beliefs on ESG and climate change and the processes followed by the Trustee in relation to voting rights and stewardship. The Trustee keeps the policies under regular review with the SIP subject to review at least annually.
The SIP was most recently reviewed in March 2021.

Engagement

As set out in the SIP, the Trustee has given the investment managers full discretion in evaluating ESG factors, including climate change considerations. The Trustee considers how ESG, climate change and stewardship are integrated within investment processes when appointing new investment managers and monitoring existing managers.

The Trustee has elected to invest a portion of the Plan's assets through segregated mandates, and has specified criteria for these managers in the investment management agreements for the manager to invest in line with. The criteria align with the Trustee's specific investment requirements.

Voting and Engagement policies and activities are most relevant for mandates where equities are held directly or indirectly. These policies are less applicable for the Plan's LDI portfolio, credit mandates and private debt holdings. The Plan's investment managers provided the following responses in relation to voting and engagement:

- State Street Global Advisors Ltd ("SSGA") is not currently a signatory of the 2020 UK Stewardship Code, but applied to the second round of applications in October 2021 and are awaiting the result at the time of writing. SSGA's climate stewardship approach is built on a foundation of company engagement, proxy voting, thought leadership and policy and regulatory support at the market level. SSGA has been engaging with companies on climate change related matters since 2014 and has held 5,867 climate-related engagements since they started engaging on these topics.

- Legal and General Investment Management ("L&G") is a signatory of the 2020 UK Stewardship Code. L&G's direct engagement with companies is a way it seeks to identify ESG risks and opportunities. Ongoing dialogue with companies is a fundamental aspect of L&G's responsible investment commitment. L&G aims to raise the performance of the whole market through their ESG capability and engagement with companies globally. L&G believes that ESG issues are fundamentally important to investors regardless of the type of exposure, noting the majority of themes they engage are relevant to both equity and bond investors. Therefore, L&G explicitly takes

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into account both debt and equity exposures when engaging on behalf of clients. In the global fixed income space, L&G undertakes around 1,250 engagements each year with companies, industry bodies, regulators and governments/government entities. L&G carries out an ESG assessment for each issuer, which is tailored to the specific sector the issuer falls into, for example, there is a greater emphasis placed upon environmental factors when assessing Oil & Gas issuers.

- CQS (UK) LLP ("CQS") is a signatory of the 2020 UK Stewardship Code. CQS views engagement as a means to seek to influence long-term changes in companies. The manager also believes it can use engagement and working with businesses to improve ESG factors, and would like to use its position to seek ESG improvements from its borrowers.

- Apollo Global Management ("Apollo") is not a signatory of the 2020 UK Stewardship Code but supports the principles of the Code. It is a signatory to UNPRI (United Nations Principles for Responsible Investment) and the IFC Operating Principles for Impact Management. Apollo's ESG program is based on three "pillars": diligence, engagement and transparency. It believes the processes underlying these "pillars" helps to better position company management teams and Apollo's investment professionals to improve performance on ESG issues.

- Ares Management LLC ("Ares") is not a signatory of the 2020 UK Stewardship Code but the manager has adopted a UK Stewardship Code Disclosure Statement. Ares is a signatory of the UNPRI and will report annual PRI transparency reports which has considerable overlap with the UK Stewardship Code 2020.Ares incorporates ESG factors into the investment process; however, the manager does not have a specific engagement policy post-investment given the fixed income nature of their investments. Prior to making an investment, Ares completes a comprehensive review evaluation, taking into account all applicable considerations, including ESG. Ares engages with borrowers on a case-by-case basis on various topics and only if deemed appropriate.

- HSBC Global Asset Management ("HSBC") is a signatory of the 2020 UK Stewardship Code. Due to the nature of the underlying assets of the Plan's mandates, most of HSBC's engagement activity occurs prior to the investment (deals marketed on the primary market). HSBC also engages post-investment by attending investor days. Since the start of 2021 HSBC has engaged with two sponsors of the bonds held within the Plan's portfolio, which covers 15.8% of the Plan's exposure.

- M&G Investments ("M&G") is a signatory of the 2020 UK Stewardship Code. M&G's engagement process is outcome-driven, systematic and aims to achieve specific objectives. For both the Real Estate Debt Fund ("REDF") and Long Dated Asset Fund ("LDAF"), M&G stresses the importance of assessing ESG and improving ESG outcomes but note that as a debt holder it does not have the same level of control as an equity holder.

- Goldman Sachs Asset Management ("GSAM") is not a current signatory of the 2020 UK Stewardship Code, but applied to the second round of applications in October 2021 and are awaiting the result at the time of writing.. The Liquid Reserves Fund in which the Plan invests falls under this umbrella. However, the Merchant Banking Division ("GSMBD"), which manages the Broad Street Loan Partners III and IV funds, is not a signatory of the Code. GSMBD aims to integrate ESG throughout the lifecycle of each investment; from sourcing to due diligence, and while the asset is held and realised. GSMBD applies its ESG approach across the portfolio by identifying and managing potential risks, enhancing efficiencies and investing in key sustainable themes with the aim of delivering attractive risk-adjusted returns.

The Plan's investment performance report is reviewed by the Trustee on a quarterly basis – this includes ratings (both general and specific to ESG) from the investment adviser. The investment performance report includes how each investment manager is delivering against their specific mandates.

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Voting Activity

The Trustee has delegated its voting rights to the investment managers. The Trustee expects the Plan's investment managers, unless impracticable, to exercise all voting rights attaching to shares or securities and take account of current best practice including the UK Corporate Governance Code and the UK Stewardship Code, where applicable. Where relevant, investment managers are expected to provide voting summary reporting on a regular basis, at least annually. As such, the Trustee considers the voting and engagement policies of the investment managers to be in line with the Trustee's policy as outlined in the SIP.

The Trustee does not use the direct services of a proxy voter. Due to the nature of the underlying holdings, only the equity managers are able to provide voting information. Over the last 12 months, the key voting activity on behalf of the Trustee is outlined below.

SSGA – Global Equity*

- SSGA uses the services of proxy voting company, Institutional Shareholder Services ("ISS").
- There have been 5,867 votable meetings over the year. In these meetings, there were a total of 60,392 votable proposals.
- SSGA has participated in the vote for 59,821 of the 60,392 votable proposals. In around 88% of these votes for proposals, SSGA has indicated its support to the companies' managements, whilst voting against around 12% of the proposals.
- Of the most significant votes in which SSGA participated, the majority were voting against management proposals on compensation of executive officers. One example of this was Life Healthcare Group Holdings, where SSGA had concerns over the proposed remuneration structure of the company executives.

L&G – Small Cap Equity*

- L&G uses the services of ISS for proxy voting.
- There have been 3,238 votable meetings over the year, of which L&G was eligible to vote on behalf of the Trustee. In these meetings, there were a total of 33,947 votable proposals.
- L&G has participated in the vote for 33,798 of the 33,947 votable proposals. In around 77% of these votes for proposals, L&G has indicated its support to the companies' managements, while voting against around 23% of the proposals.
- Of the most significant votes in which L&G participated, the majority were voting against management proposals on the election/re-election of directors. As an example, in April 2021 L&G voted against the Grafton Group PLC proposal to re-elect one of the male Directors. The reason for the vote was that L&G view gender diversity as a financially material issue and apply voting sanctions to FTSE 350 companies that do not have a minimum of 30% women on the board.

*Voting information as at 30 September 2021 as SSGA and LGIM standard reporting is to provide voting information at each quarter end.