April 2025

Stewardship Report 2024

State Street Global Advisors

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1 Introduction

Statement From Yie-Hsin Hung, President & CEO, State Street Global Advisors

State Street Global Advisors operates under a clear purpose: To help create better outcomes for the world's investors and the people they serve. Underlying that purpose is a commitment to long-term value and a belief that effective stewardship helps drive that long-term value.

As one of the world's largest asset managers, State Street Global Advisors serves a broad range of clients across the globe. As a fiduciary, our goal is to enable all of our clients to achieve their investment objectives and deliver on the expectations of the constituents they serve. As such, our approach is to deliver both rigor and choice in the way we enable them to achieve their objectives.

For all of our clients, our commitment is reflected not only in the robustness and breadth of our investment capabilities, but also in the continued expansion of our investing capabilities across research and insights, advanced reporting and analytics, and innovative product offerings.

In the realm of climate investing, our expertise includes implementing sustainable investment strategies for clients, such as climate-related screens and indexes, developing proprietary investment strategies focusing on climate solutions or green technologies, and providing climate portfolio reporting. In 2024 alone, we launched eight climate-related funds in Europe and developed capabilities and insights to support clients who choose to incorporate forward-looking climate metrics in their investment strategies.

Not only have we enhanced our sustainable investing capabilities and research expertise, but we have also sought to empower our clients with choice in how they engage with portfolio companies and vote their proxies. Clients who wish to direct their own proxy votes can choose from a wide spectrum of voting approaches through our Investor Voting Choice program. Our Sustainability Stewardship Service is another client choice. This client-driven program offers our clients the ability to elect a portfolio company engagement program focused on achieving sustainability outcomes through proxy voting and more active portfolio company engagement.

Underscoring our commitment to enhancing our investment capabilities, we have continued to add resources and staff across a number of strategic investment areas, including doubling our Sustainable Investing and Asset Stewardship team over the last three years. Concurrent with the launch of our new Sustainability Stewardship Service in 2025, we will welcome a new Head of Sustainability Stewardship based in London. In terms of sustainable investing assets under management, as of the end of 2024, we manage approximately $872 billion of client assets globally with a sustainability lens.[1]

We truly appreciate and value the trust our clients place in us. We know how important it is that we continue investing in areas that align with client objectives, which for us includes our investment capabilities and the Sustainability Stewardship Service. We embrace each of our clients' goals, infuse our offering with choice, and devote our efforts and resources to enabling our clients to achieve their ambitions.

Statement From Lori Heinel, Global CIO, State Street Global Advisors

At State Street Global Advisors, our voting and engagement activities focus on creating long-term value by promoting best practices and disclosure of material risks and opportunities across a range of topics, including sustainability factors. Sustainability factors can have different implications across industries, sectors, geographies, asset classes, and companies, and we focus on those factors that have broad impact across a range of investment options.

By discussing disclosures and industry standards, our stewardship program helps us understand how companies are addressing the material risks and opportunities they face, including those associated with sustainability. Our efforts focus on voting proxies on behalf of our clients and engaging with portfolio companies on issues relevant to long-term value creation. In 2024, the core activities of our Asset Stewardship program included voting on proxy proposals at over 24,000 shareholder meetings and holding more than 1,300 engagements across more than 45 countries.

In 2024, we expanded and enhanced our stewardship program to better support our investment activities. For example, we formalized our fixed-income stewardship program in response to the changing fixed-income environment and in the interest of our clients, with engagements focusing primarily on corporate debt and governance matters. We also produced a paper exploring the integration of forward-looking climate metrics, such as temperature alignment and climate risk ratings, into fixed-income portfolios, highlighting their growing importance in climate-focused investing. This paper was published by the CFA Institute Research and Policy Center and offers insights for investors aiming to integrate climate considerations while balancing risk, return, and diversification.

In addition, growing our Asset Stewardship team helped enhance our coverage across global regions. For example, in APAC, we expanded the list of companies we cover and dove deeper in areas that are particularly relevant to our clients' portfolios. We also hired a Head of Stewardship Research to lead the development of thought leadership on oversight and disclosure of governance and sustainability-related risks and opportunities.

Furthering our commitment to research, we also appointed a new Global Head of Sustainable Investing Research to lead the development of our related research capability and drive sustainable investment solution innovation. This is in response to rising client expectations and regulatory requirements on sustainable investing in many parts of the world. This role will direct our firm-wide research agenda on sustainable investing, including established thematic topics such as climate and emerging areas such as biodiversity, to better support our clients in their sustainable investing goals.

By expanding our resources and engaging with companies in new ways, we continue to evolve with our clients' needs. As always, we remain independent when making voting decisions on behalf of our clients. This best enables us to fulfil our fiduciary obligation to our clients and maximize the long-term value of their investments.

2 Who We Are and Who We Serve

State Street Corporation: One Team. Shared Mission.

State Street Global Advisors (SSGA) is the asset management business of State Street Corporation, which operates under a clear purpose: help create better outcomes for the world's investors and the people they serve. Underlying that purpose is a commitment to long-term value and a belief that effective stewardship helps drive that long-term value. Our parent company's mission orients our decisions, behaviors, and actions.

We draw from our global scale and market-tested expertise to create original solutions and better outcomes for our clients and the world's investors. To help our clients achieve their financial goals, we live our guiding principles each and every day.

Start with Rigor We take a highly disciplined and risk-aware approach built on exhaustive research, careful analysis, and market-tested experience to meet client needs. Rigor is behind every decision we make.

Build from Breadth Today's investment problems demand a breadth of capabilities. We build from a universe of index and active strategies to create cost-effective solutions.

Invest as Stewards As fiduciaries, we believe good stewardship involves engagement with portfolio companies to create long-term value for our clients.

Invent the Future We created the first ETF in the US and are pioneers in index and active investing. Using data, insights, and investment skill, we are always inventing new ways to invest.

Investment Philosophy

We craft thoughtful, rigorous, and precise solutions.

Understanding Multiple Dimensions Creating successful investment outcomes starts with understanding the multiple dimensions of a client's long-term objectives and liabilities.

Knowing Markets Aren't Always Efficient Due to behavioral biases, informational inefficiencies and limits to arbitrage, markets are not always efficient, leading to opportunities for excess returns.

Focusing on Asset Allocation The primary driver of long-term returns is asset allocation. Investors need efficient access to a broad universe of capital market exposure. Focus should be on underlying risks, not asset class labels.

Achieving Capital & Risk Efficient Portfolios A thoughtful and precise combination of market, factor, and idiosyncratic risk, along with manager skill, are key to achieving capital, and risk efficient portfolios.

Our Company

State Street Global Advisors is the world's fourth largest asset manager, responsible for $4.72 trillion in assets under management.[2] We are innovators, problem solvers, stewards, and educators. With experts across the globe, we are the quiet power in a tumultuous investing world. Our mission is to help create better outcomes for the world's investors and the people they serve. Our active and index capabilities cover the risk/reward spectrum, and we seek to address clients' demands for sustainable investing opportunities through our sustainable investing research capabilities and product offerings.

Figure 1
About State Street Global Advisors

$4.72T assets under management*	**#1** US's first, and world's largest, ETF‡
$3.12T AUM with institutional clients†	**45 years** managing investments
$1.6T AUM with financial intermediary clients†	**59** countries with clients

Source: State Street Global Advisors, 31 December 2024.
* This figure is presented as of 31 December 2024 and includes ETF AUM of $1,577.74 billion USD of which approximately $82.19 billion USD is in gold assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD an d State Street Global Advisors are affiliated. Please note all AUM is unaudited.
† State Street Global Advisors Finance; Institutional AUM includes Cash.
‡ State Street Global Advisors, 31 December 2024.

Figure 2
Assets Under Management Split by Asset Class

Equity
$3.01T
- Active
  - Quantitative
  - Fundamental
- Smart Beta
- Index

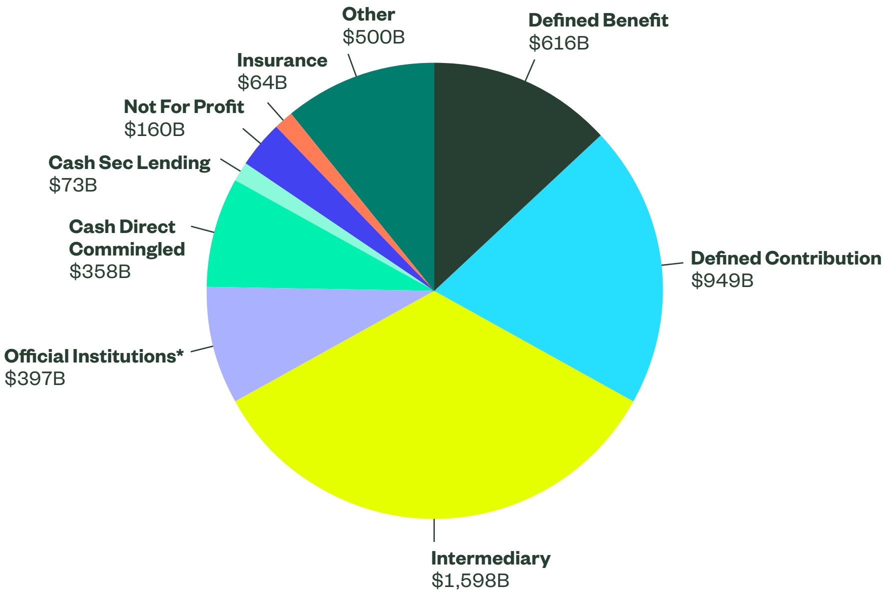
Fixed Income & Cash**
$1.13T
- Active
- Smart Beta
- Index
- Cash Management

Multi-Asset
$375B
- Strategic and Tactical Asset Allocation
- Outcome Oriented
  - Target Date Funds
  - Real Assets
  - Inflation Protection
  - Absolute Return
- Exposure Management
- Model Portfolios

Alternatives††
$198B
- Hedge Funds
- Private Equity
- Private and Public Real Estate
- Currency
- Commodities
- Real Assets

Source: State Street Global Advisors Finance Team. Figures are in USD period end as of 31 December 2024.
** Cash includes both floating- and constant-net-asset-value portfolios held in commingled structures or separate accounts.
††Alternatives includes real estate investment trusts, currency and commodities, including gold-backed ETFs for which State Street Global Advisors only serves as marketing agent.

Figure 3
Assets Under Management by Client AUM



Source: State Street Global Advisors, 31 December 2024.
* Official Institutions is a client type that includes all plan type assets including DB and DC.

What Sets Us Apart

We are innovators. We always have our eye on reinventing the ways in which we invest.

We are problem solvers. We draw upon our scale, vast resources, and deep experience to partner with clients in finding unique solutions to address global challenges.

We are stewards. We take seriously our responsibility to drive long-term value for our clients who entrust us to invest on their behalf.

We are educators. We recognize that clients, policymakers, and the media need a trusted source to help them make sense of a complex and rapidly changing world.

Who We Serve: Our Client Base

As one of the world's largest asset managers, we serve a diverse range of clients across the globe. Our institutional clients include pension providers, intermediaries, institutions, and not-for-profit organizations. We are also a leading partner to some of the largest government retirement plan providers and sovereign wealth funds. Consequently, for many of our clients and the beneficiaries they serve, the investment horizon is measured in decades.

Employers We work with employers to help millions of people live more secure and dignified retirements, including managing global pension funds, defined contribution funds in the US and UK, and superannuation funds in Australia.

Consultants We partner with consultants to share investment insights and expertise to help their clients achieve their unique investment goals.

Endowments and Foundations We help endowments and foundations fund educational, scientific, and environmental breakthroughs by offering a wide range of solutions and products, regardless of the time horizon.

Financial Advisors and Intermediaries We work with financial advisors and other intermediaries to help them and their clients create better financial futures — from registered investment advisers in the US, to discretionary wealth managers and private banks in Europe — by offering a variety of ETFs and model portfolios.

Corporate Treasurers and CFOs We work with corporate treasurers and CFOs to help their companies meet their financial commitments and fiduciary obligations, as well as reinvest in their businesses through a variety of cash management solutions.

Asset Managers We partner with asset managers to solve complex needs such as portfolio transitions and solutions for liquidity within an asset class.

A breakdown of our clients by type and by geography follows.

Figure 4
Client Assets Under Management*

Institution Type	
Intermediary	$1.6T
Institutional†	$3.1T
Geography	
Americas	$3.4T
APAC	$0.5T
EMEA	$0.7T

Source: State Street Global Advisors, 31 December 2024.
* This figure is presented as of 31 December 2024 and includes ETF AUM of $1,577.74 billion USD of which approximately $82.19 billion USD is in gold assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated. Please note all AUM is unaudited.
† Institutional AUM includes Cash.

Figure 5
A Leading Partner to Institutional and Intermediary Clients

#1	#2	#3	Top 10
Passive global & non-US equity manager	US defined benefit manager	Global ETF provider	US defined contribution manager
Global endowment & foundation assets manager	Passive US bonds manager	Global index manager*	Global active ETF provider
Global government retirement plan assets manager	Central bank assets manager	Passive non-US equity manager	Institutional Money Market provider†
		Passive global/non-US bonds manager	Outsourced Chief Investment Officer (OCIO) services

Source: Pensions & Investments Research Center, 31 December 2024. Updated annually.
* Pensions & Investments Research Center data as of 30 June 2023.
† iMoneyNet (Institutional Money Market Provider), 31 December 2024.

3

Asset Stewardship at State Street Global Advisors

In this section, we provide a summary of the overall philosophy of our Asset Stewardship program, outlining our principles and approach to engagement and voting activities. We also provide a general overview of our activity in these areas in 2024. For detailed highlights from the year demonstrating our engagement and voting, please see Chapter 4: 2024 Stewardship Activities.

Asset Stewardship Philosophy and Highlights

Our Asset Stewardship program is centered on the pursuit of long-term value for our clients' portfolios through voting at shareholder meetings and engaging with the companies in which we invest on behalf of our clients.

We expect our portfolio companies to exercise effective oversight and governance of opportunities and risks that they identify as material to their businesses, and to disclose how they are overseeing such risks and opportunities to investors. This expectation reflects the three pillars of our stewardship program: effective board oversight, disclosure, and shareholder protection.

As a general matter, we believe company boards are best placed to oversee strategy and company management, and through our proxy voting and stewardship activities we seek to ensure accountability to their shareholders.

Figure 6
2024 Asset Stewardship Highlights

Engagement	Voting
1,300+ Total Engagements	24,000+ Meetings Voted
45+ Countries	208,000+ Management Proposals
	6,000+ Shareholder Proposals

Source: State Street Global Advisors, 31 December 2024.

Our Proxy Voting and Engagement Principles

State Street Global Advisors' proxy voting and engagement program focuses on three core principles. These principles serve as the foundation for our engagement and voting activities.

Effective Board Oversight We believe that well-governed companies can better protect and pursue shareholder interests and withstand the challenges of an uncertain economic environment. Principally, a board acts on behalf of shareholders by protecting their interests and preserving their rights. In order to carry out their primary responsibilities, directors undertake activities that include overseeing strategy and providing guidance on strategic matters, selecting the CEO and other senior executives, overseeing executive management, creating a succession plan for the board and management, and providing effective oversight of material risks and opportunities relevant to their business. Further, good corporate governance necessitates the existence of effective internal controls and risk management systems, which should be governed by the board.

We assess board quality by considering director independence, director succession planning, board composition, evaluations and refreshment, and company governance practices. We believe independent directors are crucial to good corporate governance; they help management establish sound corporate governance policies and practices. Furthermore, we believe a sufficiently independent board is key to effectively monitoring management, maintaining appropriate governance practices, and performing oversight functions necessary to protect shareholder interests. In addition to independence, we believe the right diversity of backgrounds, experiences, and perspectives, which may include a range of characteristics such as skills, gender, race, ethnicity, and age, provides boards with the knowledge and expertise to manage risks and operating structures that are often complex and industry-specific.

Disclosure It is important for shareholders to receive timely and accurate reporting of a company's financial performance and strategy so that they are able to assess both the value and risk of their investment. In addition to information related to strategy and performance, companies should also provide disclosure relating to their approach to corporate governance and shareholder rights. Such information allows investors to determine whether their economic interests have been safeguarded by the board and provides insights into the quality of the board's oversight of management. Ultimately, the board of directors is accountable for the oversight and disclosure of the material risks and opportunities faced by the company.

Shareholder Protection State Street Global Advisors believes it is in the best interest of shareholders for companies to have appropriate shareholder rights and accountability mechanisms in place. As a starting place for voting rights, it is necessary for ownership rights to reflect one vote for one share to ensure that economic interests and proxy voting power are aligned. This share structure best supports the shareholders' right to exercise their proxy vote on matters that are important to the protection of their investment, such as share issuances and other dilutive events, authorization of strategic transactions, approval of a shareholder rights plan, and changes to the corporate bylaws or charter, among others. In terms of accountability to shareholders and appropriate checks and balances, we believe there should be annual elections of the full board of directors.

Engagement

How We Engage

We believe engagement is meaningful for the protection and promotion of the long-term economic value of our clients' investments. Through engagement, we aim to build long-term relationships with the issuers in which we invest on behalf of our clients and to address a broad range of topics relating to the promotion of long-term shareholder value creation. We conduct engagements with individual issuers to communicate the principles of our Asset Stewardship program and to learn more about companies' strategy, board oversight, and disclosure practices. We do not seek to change or influence control of any portfolio company through these engagements.

Our Asset Stewardship team has developed the firm's Global Proxy Voting and Engagement Policy (the "Policy"), which outlines our engagement approach. We conduct issuer-specific engagements to discuss the principles in the Policy, including sustainability-related risks and opportunities. We review and update the Policy annually as part of our regular review process. In addition, we aim to understand emerging risks and issues affecting the companies in which we invest on behalf of our clients.

Types of Engagement

As a fiduciary, we take a thoughtful approach to engaging with our portfolio companies. Our Asset Stewardship team conducts engagements with individual issuers to communicate the Policy principles and to learn more about companies' strategy, board oversight, and disclosure practices.

In 2024, we had approximately 1,300 company engagements across more than 45 countries. We do not include emails, letters, and other less formal exchanges in our reporting of engagements.

Equity Engagements

In general, there are three types of engagements we conduct with companies on behalf of our equity investors:

1. **Engagements with Portfolio Companies in Connection with a Ballot Item or Other Topic in Our Policy** Engagements held with portfolio companies to discuss a ballot item, event, or other established topic found in our Policy. Such engagements generally, but not necessarily, occur during "proxy season." We may initiate these engagements, or they may be held at the request of the portfolio company.

2. **Off-Season Engagement at the Request of a Portfolio Company** From time-to-time, portfolio companies may seek to engage with us in the "off-season" to discuss a particular topic.

3. **Off-Season Thematic Engagement** Each year, we identify thematic engagements on important topics for which we are seeking more information to better understand company disclosures and trends, as well as to potentially inform our future voting positions. Examples of our 2024 equity engagements are discussed in Chapter 4, 2024 Stewardship Activities.

Fixed Income Engagements

Fixed Income stewardship provides the opportunity for asset managers to better understand the risks and opportunities inherent in their clients' investments. According to The Investment Association's report "Improving Fixed Income Stewardship," stewardship can meet fixed income investor needs by improving engagement activities, articulating a coherent debt strategy, and improving disclosures, amongst others.[3] We believe engagement promotes dialogue and transparency between bondholders and issuers, which can be mutually beneficial. Improved transparency via public disclosure may lead to more efficient financial market intermediation.

In response to the changing fixed income stewardship landscape and interest of our clients, State Street Global Advisors has formalized a Fixed Income Stewardship program. The program aims to support the objectives of our clients, and we may engage with portfolio companies in three scenarios:

- engagements held in connection with an election event that impacts bondholder rights;
- reactive engagements at the request of an issuer; and
- proactive engagements requested by State Street Global Advisors in connection with an identified thematic engagement topic.

We focus proactive engagement activities on corporate issuers, centered on our engagement priorities, as outlined in our Global Proxy Voting and Engagement Policy. Our proactive engagement campaigns may be specific to the fixed income asset class but may also be carried out on a joint basis alongside the Asset Stewardship team, where the interests of both asset classes on the topic for engagement are aligned. We also carry out reactive portfolio management engagements with all issuer types. By partnering with the firm's Fixed Income Investment team, the Fixed Income Stewardship program provides the Investment team with a stewardship lens to assess the risks and opportunities inherent in State Street Global Advisor's fixed income investments.

The program has been carrying out reactive portfolio management engagements with the firm's Fixed Income Investment teams since 2023. These engagements have been in response to direct issuer requests, new issuance road shows, investment reclassifications, and changes to terms of an indenture through corporate actions that impact bondholder rights, namely bondholder meetings and consent solicitations.

In 2024, we held approximately 25 such reactive portfolio management engagements with 25 unique issuers.[4] Each of these engagements took the form of meetings held directly with the issuer.

For highlights from our fixed income engagements, please refer to Chapter 4, 2024 Stewardship Activities.

Thematic Engagements Summary

In the off-season, we conduct engagement campaigns that focus on a particular topic or a theme in order to enhance our understanding of an emerging area to potentially inform our future voting policy. Below is a summary of thematic engagements that started or continued in 2024.

Figure 7
Examples of Thematic Engagement Undertaken in 2024

Theme	Objective
Risks and Opportunities Related to Emerging Technologies	New technologies and the rapid development of existing technology are expected to have an impact on a company's operations, customers and other stakeholders. We engaged with technology companies to identify best practices in managing these risks and opportunities related to emerging technologies. Themes included evolving regulations, impact on workforce, customer perception, and privacy.
Climate and Nature-related Risks in the Food Value Chain	We began engaging with companies in the first quarter of 2024. We included companies across segments of the food value chain, including the fertilizers and agricultural chemicals, agricultural products, and packaged food sub-industries, to better understand how companies are responding to climate- and nature-related risks and opportunities and to identify best practices.

Source: State Street Global Advisors, 31 December 2024.

Monitoring Engagement Outcomes

Our stewardship team monitors the availability and quality of company-specific disclosures and the oversight of the risks and opportunities that a company has deemed to be material.

Voting

On behalf of the firm's clients who delegate voting authority to us, we vote at more than 24,000 shareholder meetings annually, including more than 208,000 proposals in 2024. We aim to execute our voting responsibility with accountability, consistency, and transparency and in a manner that we believe will most likely protect and promote the long-term economic value of client investments, as described in our Global Proxy Voting and Engagement Policy.

The majority of our voting decisions tend to be routine — with ballot items clearly conforming to, or conflicting with, our established viewpoints. When a voting decision is more nuanced, we will review the proposal on a case-by-case basis. We rely on publicly available information provided by portfolio companies and other sources to inform our analysis. We will also engage with companies where practicable if we need additional information to make our decision.

Example of How We Vote: Executive Compensation and Remuneration

We consider it the board's responsibility to identify the appropriate level of executive compensation. Despite the differences among the possible types of plans and awards, there is a simple underlying philosophy that guides our analysis of executive compensation: we believe that there should be a direct relationship between executive compensation and company performance over the long term.

Shareholders should have the opportunity to assess whether pay structures and levels are aligned with business performance. For example, criteria we may consider include the following:

- Overall quantum relative to company performance
- Vesting periods and length of performance targets
- Mix of performance, time, and options-based stock units
- Use of special grants and one-time awards
- Retesting and repricing features
- Disclosure and transparency

In 2024, there were approximately 23,000 proposals on compensation practices or policies across our global investment portfolios. This represented around 10% of all proposals that we voted on in 2024. In 2024, we supported approximately 80% of pay-related proposals, a comparable level of support to the prior year.

Global Proxy Voting and Engagement Policy

Above, we explained how we vote when clients have given us the authority to vote their shares. This includes where a pooled fund fiduciary has delegated the responsibility to vote the fund's securities to us. We vote those securities in a unified manner, consistent with the principles described in the Global Proxy Voting and Engagement Policy (the "Policy"). Exceptions to this unified voting policy are as follows:

1. Where we have made our Investor Voting Choice program available to our separately managed account clients and investors within a fund we manage, in which case a pro rata portion of shares held by the fund attributable to clients who choose to participate in the Investor Voting Choice program will be voted consistent with the third-party proxy voting guidelines selected by the client.

2. Where a pooled investment vehicle we manage utilizes a third-party proxy voting guideline as set forth in that fund's organizational and/or offering documents.

3. Where voting authority with respect to certain securities held by our pooled funds may be delegated to an independent third party as required by regulatory or other requirements. With respect to such funds and separately managed accounts utilizing third-party proxy voting guidelines, the terms of the applicable third-party proxy voting guidelines shall apply in place of the Policy, and the proxy votes implemented with respect to such a fund or account may differ from the votes implemented pursuant to the Policy.

Investor Voting Choice Program

The Investor Voting Choice program, which we launched in April of 2023, offers investors the ability to direct how shares held in the eligible funds they own are voted. The Investor Voting Choice program offers eligible investors a range of voting policies that can be applied to the voting of shares held in those funds. Our clients with separately managed accounts (SMAs) already had the ability to direct their own voting, and the program was created to provide investors in pooled/commingled funds with a way to express their voting preferences. Investors who opt into the program can choose from ten voting policies based on which policy best fits their preferences.[5] For clients who do not opt into the program, we continue to vote their shares in accordance with our Global Proxy Voting and Engagement Policy.

To establish the Investor Voting Choice program, we worked with Institutional Shareholder Services (ISS), an industry leader in proxy voting administration and the current facilitator of our proxy voting process and administrator of the State Street Global Advisors proxy voting policy, as well as with Broadridge to offer the program to retail investors after the program was launched. Investors can express their views on specific areas through a range of third-party voting policy options.

As of 31 December 2024, the program covers over 80% of the eligible index equity assets we manage, including all US institutional index equity funds and a broad range of US index equity SPDR® ETFs and mutual funds.[6]

More information on our Investor Voting Choice can be found on our website.

Securities Lending Recall and Restriction Policy

As a responsible investor and fiduciary, we recognize the importance of balancing the benefits of voting shares and the incremental lending revenue for the pooled funds that participate in our securities lending program (the “Lending Funds”). Our objective is to recall securities on loan and restrict future lending until after the record date for the respective vote in instances where we believe that a particular vote could have a material impact on the Lending Funds’ long-term financial performance, and the benefit of voting shares will outweigh the forgone lending income.

Accordingly, we have set systematic recall and lending restriction criteria for shareholder meetings involving situations with the highest potential financial implications (such as proxy contests and strategic transactions including mergers and acquisitions, going dark transactions, change of corporate form, bankruptcy, and liquidation). Generally, these criteria for recall and restriction for lending only apply to certain large cap indices in developed markets.

We monitor the forgone lending revenue associated with each recall to determine if the impact on the Lending Funds’ long-term financial performance and the benefit of voting shares will outweigh the forgone lending income.

Although our objective is to systematically recall securities based on the aforementioned criteria, we must receive notice of the vote in sufficient time to recall the shares on or before the record date. In cases in which we do not receive timely notice, we may not be able to recall the shares on or before the record date.

Our procedure for Securities Lending is reviewed annually to determine whether any changes are necessary and whether it is working as intended.

When We Refrain from Voting

We aim to vote at all shareholder meetings where our clients have given us the authority to vote their shares and where it is feasible to do so. When we deem appropriate, we may refrain from voting at meetings in cases where:

1. Power of attorney documentation is required
2. Voting will have a material impact on our ability to trade the security
3. Voting is not permissible due to sanctions affecting a company or individual
4. Issuer-specific special documentation is required or various market or issuer certifications are required
5. Certain market limitations would prohibit voting (e.g., partial/split voting prohibitions or residency restrictions)
6. Unless a client directs otherwise, in so-called "share blocking" markets (markets where proxy voters have their securities blocked from trading during the period of the annual meeting)

Additionally, we are unable to vote proxies when certain custodians used by our clients do not offer proxy voting in a jurisdiction or when they charge a meeting-specific fee in excess of the typical custody service agreement.

Voting authority attached to certain securities held by State Street Global Advisors' pooled funds may be delegated to an independent third party as required by regulatory or other requirements. Under such arrangements, voting will be conducted by the independent third party pursuant to its proxy voting policy and not pursuant to our Policy.

In 2024, almost 100% of meetings were voted across all our strategies. This included where our clients had given us their authority to vote their shares as well as where clients use Investor Voting Choice. Our voting positions are monitored daily by our Asset Stewardship team via the ISS electronic voting platform. Using the same platform, we also track the progress of the vote submissions through to the relevant custodian bank or other intermediary responsible for the final submission of the vote to the issuing company.

Changes to Global Proxy Voting and Engagement Policy

In 2024, we streamlined our policy documents to make it easier for our clients and investee companies to readily find the information they seek. Our Global Proxy Voting and Engagement Policy is now a single document. This is a practical enhancement. From a policy perspective, we refined our director time commitment policy, as described below.

Director Time Commitments: US

We believe a company's nominating committee is best placed to determine appropriate time commitments for the company's directors. Rather than considering a numerical limit for the number of board positions directors of companies may hold, instead we consider whether a company publicly discloses its director time commitment policy (e.g., within corporate governance guidelines, proxy statement, annual report, company website, etc.) and if this policy or associated disclosure outlines the factors that the nominating committee considers to assess director time commitments during the annual policy review process.

We believe investors would benefit from increased transparency over how nominating committees assess their directors' time commitments and what factors are considered in these decisions.

4 2024 Stewardship Activities

Introduction

Our stewardship program is anchored in the principles of effective board oversight, disclosure of material risks and opportunities, and shareholder protection. Our Global Proxy Voting and Engagement Policy (the "Policy") discusses these principles and our approach to engaging with and voting proxies with respect to the portfolio companies in which we invest our clients' assets.

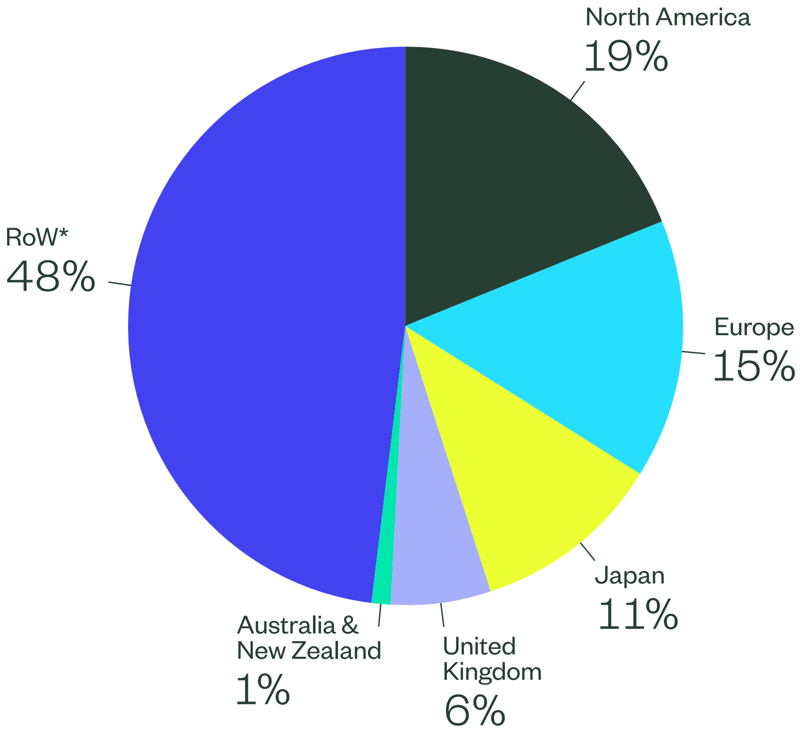
Our engagements help us communicate these principles and more fully understand the nuanced challenges that companies seek to address. We engage with companies to learn more about companies' strategy, board oversight, and disclosure practices. Guided by the Policy, there are often topics where we focus our engagement activity over multiple years. To establish where we focus our attention, we conduct independent research on emerging risk factors that may affect portfolio companies. In addition, we discuss region- and investor-specific risks with clients to ensure we are covering the issues that are important to them.

The three principles mentioned above also apply across all of State Street Global Advisors' proxy voting decisions. The Policy describes our beliefs and assessment criteria related to numerous topics. Below we provide more detail and highlights on our stewardship activities in 2024.

2024 Summary
Voting Activity

We provide our voting records online publicly. We may also publish vote bulletins to disclose our voting activity across a range of topics and describe the rationale behind certain voting decisions.

Figure 8
Breakdown of Proxy Voting by Region in 2024 by Proposals Voted



Number of Meetings Voted	Number of Countries
24,000+	**~60**

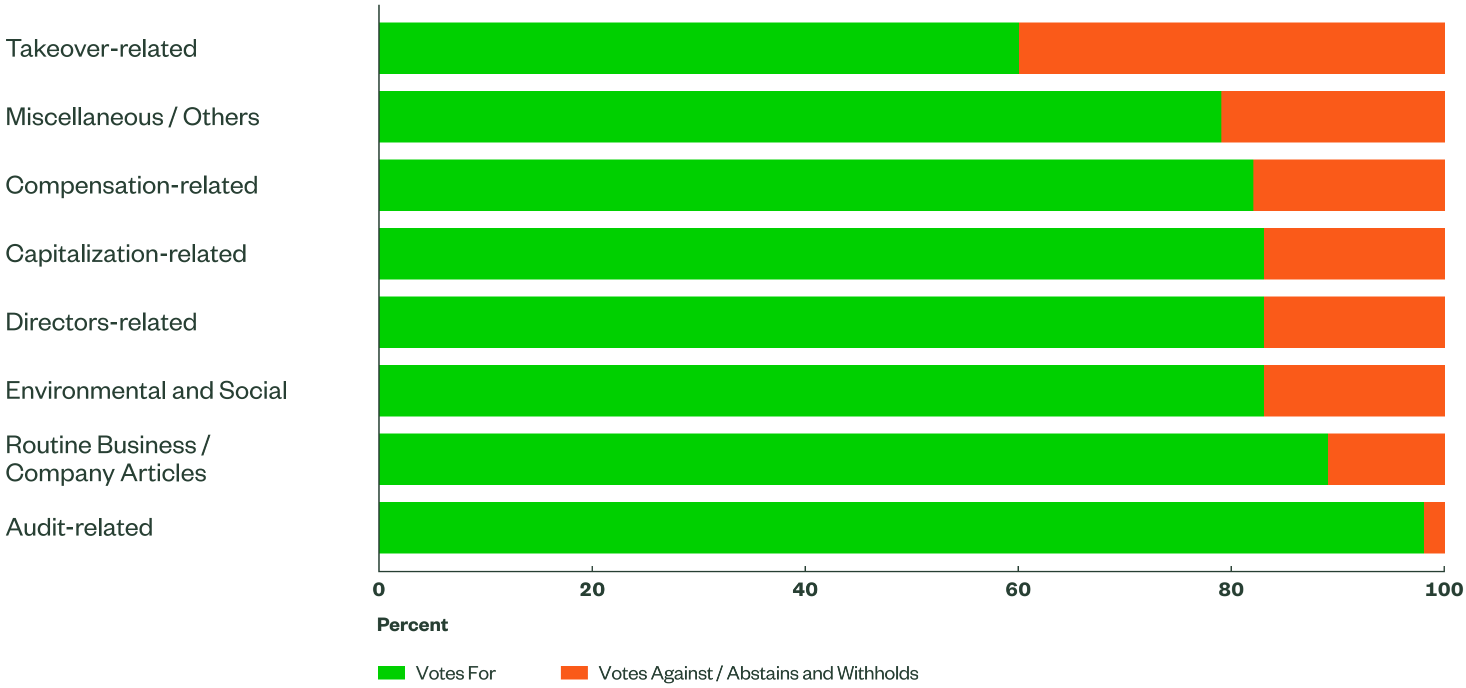
Management Proposals	Shareholder Proposals
208,000+	**6,000+**

Votes For	With Management
~84%	~93%

Votes Against†	Against Management
~16%	~7%

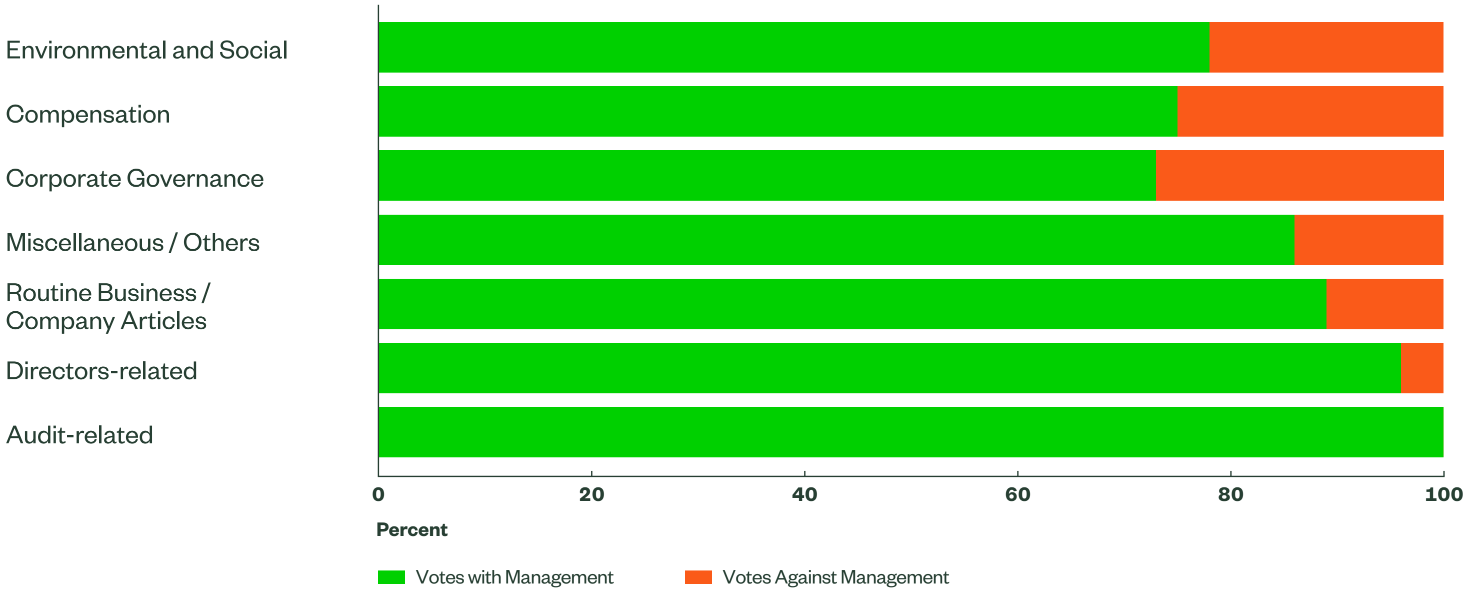
Source: State Street Global Advisors, 31 December 2024.
* Rest of the World.
† Includes abstains and withholds.

Figure 9 **Votes on Management Resolution by Category**



Source: State Street Global Advisors, 31 December 2024. Includes proposals defined by ISS Proposal Class between 1 January 2024–31 December 2024.

Figure 10 **Votes on Shareholder Proposals by Category**



Source: State Street Global Advisors, 31 December 2024. Includes proposals defined by ISS Proposal Class between 1 January 2024–31 December 2024.

Proxy Voting Ballot Proposals

The ballots of public companies carried more than 470 different types of proposals in 2024, presented by management and shareholders. Below, we review the most common types of voting proposals.

Management Proposals

Management mainly presents proxy proposals to elect directors, handle routine business, and seek approval for compensation. We believe that company boards do right by investors — in fact, in 2024 around 84% of our votes aligned with the voting recommendations of company boards. Differences with companies' boards have arisen around 16% of the time, generally when a company does not demonstrate best practice disclosure in line with other companies in its sector or market or otherwise does not align with our viewpoints.

As a general matter, we believe company boards are best placed to oversee strategy and company management, and our fiduciary duty includes ensuring that companies are accountable to their shareholders, which we do through our engagement and proxy voting activities. Our Policy outlines criteria that inform our assessment of management proposals, including demonstrating effective oversight and disclosing risks and/or opportunities deemed material by the company.

Figure 11
Breakdown of Management Voting Proposals in 2024 (~Approx.)

Categories	Number of Meetings Voted	% of Total
Director Elections	96,000	46%
Routine business items (eg. Ratyfying auditors, approving income and dividend allocation)	43,000	21%
Compensation-related	23,000	11%
Capitalization-related	16,500	8%
Audit-related	12,000	6%
Other*	17,500	8%
Total Management Proposals	**208,000**	**100%**

Source: State Street Global Advisors, 31 December 2024.
* Other includes Corporate Governance, Environment and Social, Miscellaneous and Non-routine business items.

Shareholder Proposals

Shareholder proposals at portfolio companies are evaluated on a case-by-case basis and in accordance with the principles described in the Policy. As discussed earlier, we believe that company boards do right by investors and are responsible for overseeing strategy and company management. Towards that end, we generally do not support shareholder proposals that appear to impose changes to business strategy or operations, such as increasing or decreasing investment in certain products or businesses or phasing out a product or business line, or if it is not a topic that the company has deemed to be material in their public disclosure documents.

When assessing shareholder proposals, we consider whether the adoption of the resolution would promote long-term shareholder value in the context of our core governance principles of effective board oversight, disclosure, and shareholder protection. We would consider supporting a shareholder proposal if:

1. the request is focused on enhanced disclosure of the company's governance and/or risk oversight,
2. the adoption of the request would protect our clients' interests as minority shareholders; or
3. for common proposal topics for which we have developed assessment criteria, the extent to which the request satisfies those criteria.

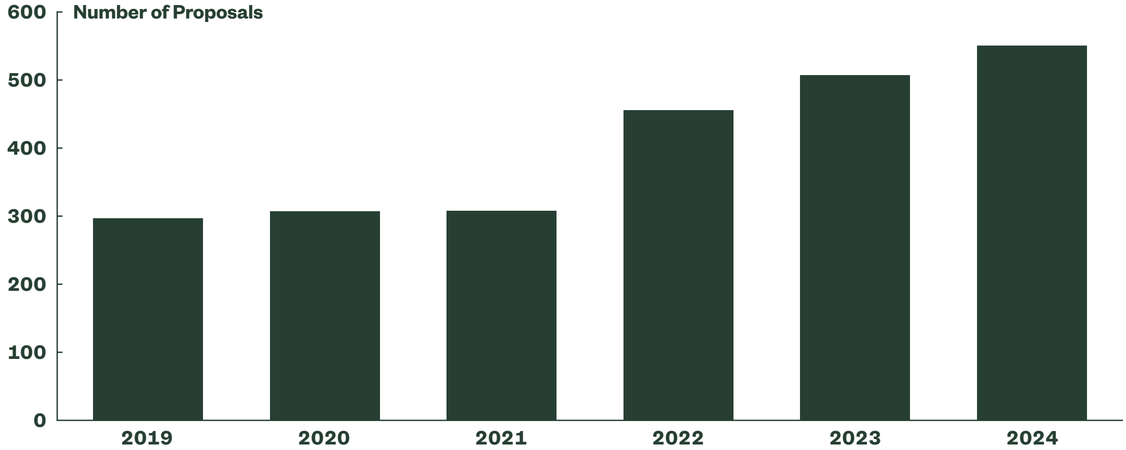
Figure 12
Breakdown of Shareholder Voting Proposals in 2024 (~Approx.)

Categories	Number of Meetings Voted	% of Total
Audit-related	850	15%
Compensation-related	200	5%
Director Elections	3,300	50%
Other*	1,500	25%
Routine business items (e.g., ratifying auditors, approving income and dividend allocation)	250	5%
Total Shareholder Proposals	**6,100**	**100%**

Source: State Street Global Advisors, 31 December 2024.
* Other includes Corporate Governance, Environment and Social, Miscellaneous and Non-routine business items.

While the majority of shareholder proposals are focused on governance issues[7] (around 90% in 2024), there has been a notable increase in the number of shareholder proposals targeting sustainability-related topics over the past few years, as illustrated in Figure 13. Despite the recent increase, these proposals accounted for approximately 10% of the shareholder proposals we voted on in 2024.

Figure 13
Sustainability-related Shareholder Proposals Filed Globally over Time



Source: State Street Global Advisors, 31 December 2024. Sustainability-related Proposals are defined by ISS Proposal Class. The graph includes shareholder proposals assigned the E, S, or E&S ISS Proposal Class.

Figure 14
Global Voting on Sustainability-related Shareholder Proposals

Source: State Street Global Advisors, 31 December 2024. Environmental and Social Proposals are defined by ISS Proposal Class. The graph includes shareholder proposals assigned the E, S, or E&S ISS Proposal Class.

Our approach to voting on shareholder proposals has remained consistent, although we have also noted a decline in the percentage of proposals we supported, as reflected in Figure 14. We expect to continue a consistent approach to analyzing shareholder proposals, as outlined in the Policy, as long as doing so aligns with our clients' best interests.

Proxy Contest Voting

We believe nominating committees that are comprised of independent directors are best placed to assess which individuals are adequately equipped with the skills and expertise to fulfil the duties of board members and to act as effective fiduciaries. While our default position is to support the committees' judgements, we consider the following factors when evaluating dissident nominees:

- Strategy presented by dissident nominees versus that of current management, as overseen by the incumbent board
- Effectiveness, quality, and experience of the management slate
- Material governance failures and the level of responsiveness to shareholder concerns and market signals by the incumbent board
- Quality of disclosure and engagement practices to support changes to shareholder rights, capital allocation and/or governance structure
- Company performance and, if applicable, the merit of a recovery plan
- Expertise of board members with respect to company industry and strategy

Monitoring and Reporting Stewardship Activity

Our team monitors and reports on the effectiveness of our Asset Stewardship program, including voting activity, companies' disclosure relative to our assessment criteria, and company-specific outcomes. We report activities and outcomes to clients in our quarterly stewardship activity reports and periodic vote bulletins.

Vote View State Street Global Advisors' final votes are published on a public Vote View platform in the quarter following the quarter when the shareholder meeting occurred.

Vote Bulletins To provide examples of how our core principles inform specific voting decisions, our team periodically publishes "Vote Bulletins." Below are examples that describe our voting rationale across a range of topics. From time to time, we publish Vote Bulletins under the "How We Vote" tab of our Voting and Guidance Library.

Figure 15
2024 Example Vote Bulletins

Company	**Lenovo Group Limited**
Meeting Date	12 September 2024
Key Issues	Company strategy
Vote Decisions	In relation to company expansion, the company board sought shareholder approval for the issuance of Convertible Bonds. We evaluated the long-term prospects of the expansion, the terms and conditions of the two transactions, and their potential dilutive effect. We supported the two management proposals because we deem strategic expansion to be value-accretive to existing shareholders. We viewed the terms of the financing instruments as reasonable and believed the impact of potentially dilutive effects was mitigated by the stipulated financing terms.
Company	**Nestlé SA**
Meeting Date	18 April 2024
Key Issues	Company strategy
Vote Decisions	A shareholder resolution requested Nestlé SA (Nestlé) to increase the proportion of sales of healthier products and to disclose sales figures. We determined that the proposal was overly prescriptive in asking for a change to strategy. Nestlé provided details on the board's oversight of the risks and opportunities presented by changing consumer preferences and potential future regulation. The company shared progress against its healthier products target, rationale for categorizing certain products as nutritious, and the company's approach to responsible marketing practices. Nestlé also noted its enhanced disclosures on material non-financial risks. We voted against the shareholder proposal.
Company	**Nippon Telegraph and Telephone Corp**
Meeting Date	20 June 2024
Key Issues	Corporate governance
Vote Decisions	We engaged with Nippon Telegraph and Telephone Corp (NTT) ahead of its 2024 Annual General Meeting to learn about board oversight of material risks and opportunities in light of the prolonged data and security breach that occurred in a fully owned subsidiary, NTT West. While the company has taken steps to manage risks, we had concerns over the company's supervision and oversight of risk management, internal controls, and related-governance system. After consideration, we reached the conclusion that withholding support for the internal director that had served on the board of NTT West when the incident took place is in the best interest of our clients and thus voted against the re-election of the director.
Company	**Stellantis NV**
Meeting Date	16 April 2024
Key Issues	Executive compensation
Vote Decisions	The CEO's 2023 pay included a EUR 14.3 million transformation award. This award was approved by the board in mid-2021 and introduced without a shareholder vote; there was a 52% dissent from shareholders on the 2021 remuneration report. We voted against the 2021 and 2022 remuneration reports. We generally have reservations about awards outside of the standard incentive scheme, and we consider it good governance that special awards be submitted to a shareholder vote. We continued to have reservations about the appropriateness of the incentive award and thus voted against the remuneration report.

2024 Activities

Below, we discuss some of our stewardship activities in 2024 and highlight engagements with specific companies to illustrate the impact of our stewardship actions.

Effective Board Oversight

Effective board oversight centers around governance. We conducted more than 800 governance-related engagements in 2024 in which we discussed board practices, succession planning, shareholder rights, and executive compensation, among other topics.

Figure 16
Board Oversight Engagement Highlights

Company	**Adecco Group AG**
Geography and Industry	Switzerland GICS Industry: Professional Services
Key Topics	Executive Compensation
Asset Class	Equity
Key Resolutions	Executive Compensation
Background	At its 2023 AGM, Adecco Group AG received 43% dissent on its remuneration report vote. Following this result, Adecco sought to engage with shareholders to understand their perspectives on remuneration matters.
Activity	At this engagement following the 2023 annual general meeting, Adecco shared the key driver for the dissent on their remuneration report — the lack of timely disclosure around a one-off award made to executives. While we supported the 2023 remuneration report vote following disclosure of additional information, we took the opportunity to share our perspectives on best practices with respect to executive remuneration. This included our views on the practice of permitting vesting for below median relative Total Shareholder Return (rTSR) performance in the long-term incentive (LTI).
Outcome	In a follow up engagement in 2024, Adecco shared changes to its LTI. Adecco no longer permitted vesting for below median rTSR performance in its LTI plan. We note their commitment to improvement in remuneration practices. We will remain engaged with the company to understand their approach to governance topics including remuneration.
Company	**Carrefour SA**
Geography and Industry	France GICS Industry: Consumer Staples Distribution & Retail
Key Topics	Executive Compensation
Asset Class	Equity
Background	In November 2023, we engaged with Carrefour SA (Carrefour) to provide our views on best practices on executive remuneration. The engagement was in response to 40% and 37% dissent against Carrefour's 2023 remuneration report and remuneration policy, respectively, recorded at the company's 2023 AGM.
Activity	During the engagement, we discussed our perspectives on the weight of non-financial performance metrics in the annual bonus schemes. Qualitative criteria are naturally less specific than quantitative ones, so we believe it is important that they are described in detail. We also outlined our perspectives on the compensation effect between performance metrics under the long-term incentive, and the relationship to the achievement of minimum performance metrics.
Outcome	At the 2024 AGM, Carrefour submitted a new remuneration policy to a shareholder vote. The company increased the weight of financial metrics in the annual bonus from 50% to 60%, replaced the 'quality of corporate governance' metric with 'operational and managerial' performance metric, and provided an extensive list of all areas evaluated under this metric. The company also removed the compensation effect between performance metrics under the long-term incentive program. We supported the new remuneration policy, and the policy received 95% support at the AGM.

Company	**Kering SA**
Geography and Industry	France GICS Industry: Textiles, Apparel & Luxury Goods
Key Topics	Board Composition
Asset Class	Equity
Key Resolutions	Director Elections
Background	Our Asset Stewardship team has a long history of engagement with Kering SA, the French multinational luxury goods company. In 2023, we had a general engagement with Kering covering governance topics such as executive compensation and board composition. Regarding board composition, we believe the right mix of skills, independence, diversity, and qualifications among directors provides boards with the knowledge and direct experience to manage risks and operating structures that are often complex and industry/region-specific.
Activity	At the 2023 engagement, we sought to learn how the Board's composition reflects the company's geographic exposure. We observed the company's significant exposure to the Asia-Pacific region and inquired about regional expertise on the Board during the engagement.
Outcome	In a follow-up engagement in 2024, Kering highlighted that they had appointed a director with specific expertise in the Asia-Pacific region. We plan to remain engaged with the company on its approach to governance, including board composition.

Company	**Medibank Private Ltd**
Geography and Industry	Australia GICS Industry: Insurance
Key Topics	Board Oversight
Asset Class	Equity
Key Resolutions	Director Elections
Background	In 2022, Medibank Private ("Medibank") had a data breach that adversely impacted customers, as their personal information was leaked online. The incident resulted in investigative and legal proceedings by regulators, class action lawsuits, and additional capital adequacy requirement imposed by the regulator.
Activity	In 2023, we engaged with the company ahead of the company's AGM to discuss the board's oversight of risk management and cybersecurity risks. We sought to understand how the company planned to strengthen its information security environment and controls and implement processes to manage risks in third-party vendor outsourcing. We continued our discussions in 2024. We learned that, after the incident, the board has identified cybersecurity as a key area of focus and is continuing to mature their approach to better enable the company to respond to cyber threats. The company conducted an external incident review and committed to implementing the review recommendations to enhance its IT processes and systems. In addition, the company invested capital focused on improving security and response to cyber threats, including establishing the Medibank Uplift Program. Further, with the introduction of new prudential standards CPS230[8], the company disclosed that it has been implementing the requirements and working with suppliers. The standard includes enhancements to the identification and management of risks relating to material service providers.
Outcome	We withheld our support from a member of the Board Risk Committee in 2023 given concerns around governance and risk oversight. In light of the board's response in strengthening risk oversight and continuing to mature its risk management culture and practices, we supported all director-related management resolutions at the 2024 AGM. We will remain engaged with the company as it continues to execute on its commitments, comply with local regulatory expectations, and manage risks material to its business operations.

Disclosure

Below we highlight some of our disclosure-related engagements from 2024.

Figure 17
Disclosure Engagement Highlights

Company	**Amazon.com, Inc.**
Geography and Industry	United States GICS Industry: Broadline Retail
Key Topics	Human Rights, Emerging Technologies
Asset Class	Equity
Key Resolutions	Social Shareholder Proposals
Background	Since 2021, we have had discussions with Amazon.com, Inc. (Amazon) about its approach to identifying and managing risks related to emerging technologies, including the board's oversight of these risks.
Activity	Over the past three years, we supported shareholder proposals asking the company to identify human rights risks related to customers' use of its products, as we believed that shareholders would benefit from additional transparency on this topic. We engaged with the company in advance of the 2024 AGM to discuss a number of shareholder proposals on the proxy, including three proposals related to the human rights impacts of Amazon's technologies.
Outcome	The company enhanced its disclosures to include more details on its risk management approach related to the use of its products. The company now discloses that the board's Nominating and Corporate Governance Committee reviews two of its key products for potential risks and misuse that could arise from these technologies, as well as the company's actions to mitigate potential risks. During our pre-AGM engagement, the company also described the acceptable use policy for its cloud server business and its efforts to investigate potential violations of the policy. We also learned about Amazon's collaboration with industry partners and policymakers to advance the responsible and secure use of AI. Amazon has also published a Responsible AI Policy for its cloud business. At the company's 2024 annual meeting we voted against the two shareholder proposals that asked Amazon to assess its due diligence in identifying human rights risks related to customers' use of its products and services (Items 6 and 14) and another shareholder proposal requesting that the company establish a board committee on Artificial Intelligence (Item 16). We believe that Amazon discloses adequate information on these topics at this time.
Company	**Meta Platforms, Inc.**
Geography and Industry	United States GICS Industry: Interactive Media & Services
Key Topics	Human Rights, Emerging Technologies
Asset Class	Equity
Key Resolutions	Social Shareholder Proposals
Background	Since 2022, we have engaged Meta Platforms, Inc. (Meta) on human rights-related topics including misinformation, hate speech, content management, and targeted advertising. Through these conversations, we have learned how the company's human rights due diligence efforts and engagements with various stakeholders have influenced its content management policies and practices globally.
Activity	We engaged with the company ahead of the 2024 AGM to discuss the human rights-related shareholder proposals on the proxy statement. During our conversation, the company acknowledged risks related to misinformation and disinformation due to Generative AI, and outlined the steps it is taking to establish safeguards to combat these risks. The company also described its global network of fact checkers and the tools it developed to identify content that might violate its community guidelines and content policies. The transparency center on the company's website includes several reports on its policies and practices to manage risks related to misinformation and disinformation. We also heard about the industry collaboration on these risks, including efforts to standardize technical identifiers for AI generated content. The company outlined the board's active involvement in the oversight of risks related to misinformation and disinformation.
Outcome	In its human rights report, published in September 2023, Meta enhanced its disclosures on its processes to manage risks related to content management, and detailed the company's engagement with different community stakeholders and experts to solicit feedback. The report included findings from human rights due diligence efforts in select markets outside the US. The company has also enhanced disclosures on its risk management strategy related to targeted advertising. Meta provided details on the steps it is taking to mitigate this risk, such as the development of privacy-enhancing technologies to help minimize data collection and use. Because of the progress made by the company in its relevant disclosures and practices, we voted against the shareholder proposals (Items 6, 8, and 10) asking the company to report on potential risks related to misinformation and disinformation generated via Artificial Intelligence, human rights risks in non-US markets, and human rights risks related to targeted advertising.

Company	**Holcim Ltd.**
Geography and Industry	Switzerland GICS Industry: Construction Materials
Key Topics	Climate Risk Management — Climate Transition Plan Disclosure Nature Risk Management — Deforestation and Other Land Use; Water Management
Asset Class	Equity
Key Resolutions	N/A
Background	We engaged several Materials companies as part of our ongoing thematic engagements on Climate Transition Plan Disclosure in 2024. During our engagements, we aim to understand how companies are managing relevant climate-related transition risks and their plans to support their stated climate goals.
Activity	During our engagement in Q4 2024, we discussed several environmental topics identified as material by the company including GHG emissions, water use, and land use and biodiversity. Holcim discussed its climate transition plan disclosures and strategy to support its net zero pledge, including progress toward achieving the company's stated near-term climate-related targets. We also discussed the company's strategy for addressing nature-related risks and opportunities including those related to water management and deforestation and other land use.
Outcome	Holcim shared progress on their climate strategy including their approach to continued investment in operational emissions reductions opportunities and trends in customer demand for Holcim's low carbon products. The company also discussed its participation in a pilot program with the Science Based Targets Network (SBTN) to set freshwater quality targets. As one of the first companies to set science-based targets for nature, the company offered insights on their approach to basin-level assessment and modelling as well as obtaining supplier data. Furthermore, the company discussed its approach to managing risks related to deforestation and other land use, including progress on land restoration and rehabilitation efforts.

Company	**Endeavour Group Ltd.**
Geography and Industry	Australia GICS Industry: Consumer Staples Distribution & Retail
Key Topics	Climate Risk Management — Climate Transition Plan Disclosure Nature-related Risk Management
Asset Class	Equity
Key Resolutions	N/A
Background	In 2024, we engaged 21 companies in the Consumer Staples sector as part of our thematic engagements on Climate Transition Plan Disclosure and Climate- and Nature-related Risks in the Food Value Chain. Initiated in 2024 the work focused on companies across segments of the food value chain — including the fertilizers and agricultural chemicals, agricultural products, packaged food, and food retail subindustries, among others — to better understand how companies are responding to these risks and opportunities and to identify best practices on these topics.
Activity	We engaged Endeavour Group Ltd. ("Endeavour Group") to discuss several environmental topics identified as material by the company including climate and GHG emissions, packaging and waste, and water. The company discussed its net zero ambition and related climate strategy including progress against climate-related targets and the challenges the company currently faces related to the measurement of its Scope 3 emissions footprint. In addition, we discussed the company's efforts to manage water use, to reduce plastic use, and to increase the recycled content in wine bottles. The company described the progress it has made toward its plastics-related targets and potential opportunities for further industry collaboration to reduce plastics-related risks. The company has disclosed plans to assess water usage and improve water efficiency at all of its sites in the coming years.
Outcome	We provided our views on best practices with respect to company disclosures, including our Climate Transition Plan Disclosure assessment criteria. These include disclosing interim climate-related targets to accompany its long-term net zero ambition and providing additional details on its strategy to meet its ambition. We also discussed best practices regarding water-related disclosures as the company builds out its nature-related disclosure regime.

Company	Unilever plc
Geography and Industry	United Kingdom GICS Industry: Personal Care Products
Key Topics	Climate Risk Management
Asset Class	Equity
Key Resolutions	N/A
Background	Our guidance on climate transition plan disclosure, which is outlined in our Global Proxy Voting and Engagement Policy, provides the criteria we assess for companies that have adopted a climate transition plan. During our engagements, we aim to understand how these companies are managing relevant climate-related transition risks and their plans to support their stated net zero ambitions and associated climate transition plans.
Activity	In Q4 2023, we engaged Unilever Plc ("Unilever") to discuss the Climate Transition Action Plan adopted by the company to support its net zero ambition and to discuss the company's approach to managing climate-related risks, which have been identified as material by the company. We aimed to better understand the company's approach to climate-related target setting and the challenges and opportunities associated with its various efforts to manage GHG emissions both in its direct operations and throughout the value chain. We also discussed best practice disclosure for assessing and managing potential social risks and opportunities related to its climate transition plan.[9]
Outcome	In Q1 2024, Unilever published an updated 2024 Climate Transition Action Plan. The company enhanced disclosure on its decarbonization strategy and shared its plan to support its 2030 Scope 3 GHG targets with nine priority action areas. Unilever disclosed the estimated emissions reductions from each action in the plan and shared progress updates on several actions related to supplier engagement, forest-risk commodities, and packaging, among others. Unilever also enhanced disclosure on planned capital investment to support the plan, such as investments in reducing the company's direct emissions and in scaling up regenerative agriculture to address emissions throughout the value chain.

Company	Diamondback Energy, Inc.
Geography and Industry	United States GICS Industry: Oil & Gas
Key Topics	Climate Risk Management — Climate Transition Plan Disclosure
Asset Class	Equity
Key Resolutions	N/A
Background	Our Global Proxy Voting and Engagement Policy provides the disclosure criteria we assess for companies that have adopted a climate transition plan. During our climate transition plan engagements, we aim to understand how companies are managing relevant climate-related transition risks and their plans to support their stated net zero ambitions. We have engaged Diamondback Energy, Inc. ("Diamondback Energy") three times since 2022 as part of our thematic engagement on Climate Transition Plan Disclosure and Methane Emissions in the Oil and Gas Industry.
Activity	During our most recent engagement with Diamondback Energy in Q4 2024, we discussed the company's approach to managing climate-related risks, which have been identified as material by the company, as well as the company's climate strategy to support its net zero ambition. The company outlined its progress toward its interim GHG emissions reduction targets. This included programs to electrify frac fleets, creating a micro-grid to power certain operations utilizing associated gas instead of diesel, and replacing natural gas pneumatic devices with compressed air units to reduce methane emissions. The company has also increased capital allocation for emissions reduction projects and lower-carbon investments in 2024 to support its climate strategy.
Outcome	Diamondback Energy has enhanced disclosure in line with our climate-related disclosure criteria, including disclosing Scope 3 emissions. The company has enhanced continuous monitoring of methane emissions to cover approximately 96% of operated oil production and joined the Oil and Gas Methane Partnership 2.0, committing to improving transparency on methane emissions reporting in line with the initiative's reporting protocols.

Shareholder Protection

Below we highlight some of our shareholder protection-related engagements from 2024.

Figure 18
Shareholder Protection Engagement Highlights

Company	**Tokio Marine Holdings**
Geography and Industry	Japan GICS Industry: Insurance
Key Topics	Board Oversight, Risk Management, Cross-shareholdings
Asset Class	Equity
Key Resolutions	Director Elections
Background	We have held several engagements with Tokio Marine Holdings ("Tokio Marine") over the past few years focusing on board oversight of long-term strategy, capital efficiency, and cross-shareholdings. Notably in 2022, we engaged with the company in our campaign on cross-shareholdings and sought to learn more about its approach to effectively deploying and allocating capital and strategic decision-making related to cross-shareholdings.
Activity	During our 2022 engagement, we also discussed how the board oversees risk management and governance around cross-shareholdings and manages potential conflict of interests. While the company had recently announced a ¥300 billion reduction in cross-shareholdings over three years, we believed there was inadequate clarity on targets, timelines, and what the company considered an optimal structure. In 2023, the company enhanced its disclosure and announced plans to accelerate the pace of reduction and provided a specific timebound target. As the amount of exposure was still significant, we continued to engage the company in 2024. During this period, we aimed to better understand how the board is overseeing risks that have materialized on allegations of collusion, exemplified by cross-shareholdings exposures. In the wake of a price-fixing scandal, the Financial Services Agency ("FSA") issued business improvement orders to several non-life insurers.[10] This includes addressing cross-shareholdings with a view to improving governance, business practices, and competition within the sector.
Outcome	We voted against two director election management resolutions in 2024 on the basis of board oversight concerns. Nevertheless, we are encouraged by the responsiveness of the company in providing enhanced disclosures and continuing to evaluate their business-related equities exposures, as well as the recent announcements of a business improvement plan and further planned reductions.
Company	**The Hanover Insurance Company**
Geography and Industry	United States GICS Industry: Insurance
Key Topics	Board Refreshment / Structure
Asset Class	Equity
Key Resolutions	Governance
Background	We believe that the annual election of directors is a corporate governance best practice and a key mechanism to ensure board and director accountability over a range of issues.
Activity	SSGA routinely engages with companies, including The Hanover Insurance Company (Hanover), on corporate governance issues including the structure and refreshment of the Board of Directors.
Outcome	At the company's 2024 AGM, management put forth a proposal to amend the Company's Certificate of Incorporation to "reorganize the Board of Directors into one class, with each director subject to election each year for a one-year term," citing feedback from shareholders as a main driver. SSGA voted for the proposal. In a recent off-season engagement, the company outlined that the benefits of a classified structure did not outweigh the challenges that drove their decision to put forward the proposal.

Fixed Income Engagements

Our Fixed Income Stewardship engagement activities are useful in understanding developments at issuers and sharing perspectives on a two-way basis, from which issuers may also benefit. For example, during new issuance road shows, we are able to inform issuers about considerations that may impact asset managers' ability to invest in such bonds, including considerations related to minimum issuance size for index eligibility, liquidity considerations for issuance management, use of proceeds restrictions, and relevant certifications for certain labelled bonds such as green bonds.

During engagements that are initiated in response to an investment reclassification or bondholder meeting/consent solicitation, engagement provides an avenue for dialogue, which enables a better understanding of developments at the issuer and how they are being addressed. For reclassifications, engagement is useful to understand relevant circumstances leading to the event as well as the issuer's plans to address these developments in the context of long-term issuer viability. For corporate action events impacting bondholder rights, engagement provides the opportunity to understand the related ask from the issuer's perspective as well as whether the corporate action event would be one-off in nature or if we should expect similar events in the future.

In July 2024, the Fixed Income Stewardship team began joining conversations regarding Climate Transition Plans Disclosure alongside our Asset Stewardship analysts where appropriate. The long-term viability of corporate issuers, particularly in certain industries, may be dependent upon their ability to effectively manage climate-related risks and opportunities. During these joint engagements, our fixed income stewardship efforts have benefited from the Asset Stewardship team's dialogue with the issuers, while also giving us the opportunity to understand how Climate Transition Plans may impact funding plans at these corporate issuers. Below we highlight some of our fixed income engagements from 2024.

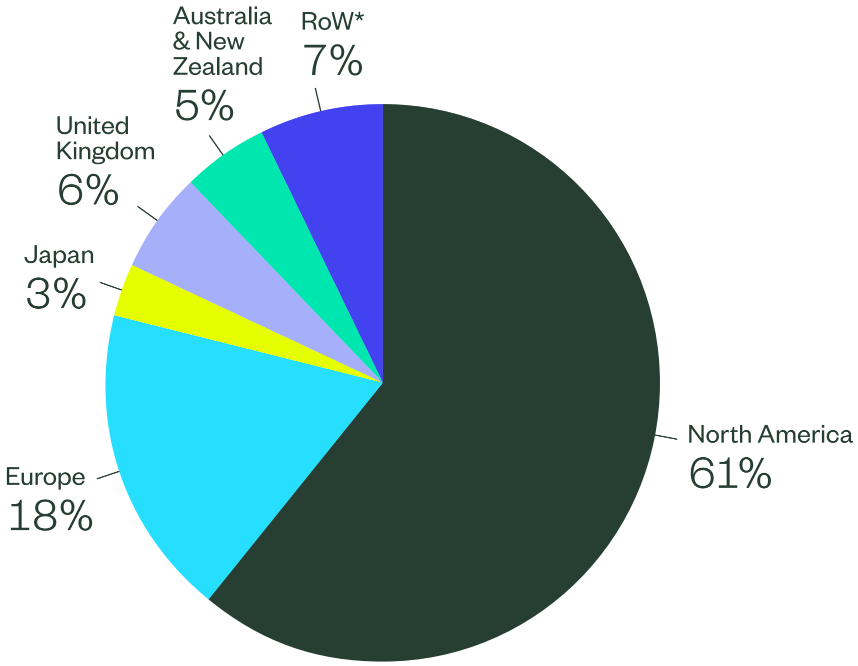
Figure 19
Fixed Income Engagement Highlights

Company	**Greenko Group**
Geography and Industry	India SICS Industry: Solar Technology & Project Developers and Wind Technology & Project Developers
Asset Class	Fixed Income
Background	The corporate action election event leading to this engagement related to amending select bond terms associated with energy storage.
Activity	We engaged with Greenko Group in March 2024 in response to a corporate election event to better understand the context of the consent solicitation and to inform our election decision. The event is related to a $750 million project to finance wind and energy storage services. With the cost to produce solar energy declining, Greenko aimed to shift production in-house, which would result in favorable cost reductions and better returns. Greenko sought to construct 1500 MW of solar power storage to comply with its contract with the Solar Energy Corporation of India. The current terms of the indenture only allow pumped hydropower storage, so the amendment would expand the scope of Greenko's renewable energy output and related storage capabilities. Bondholders could also benefit, as earnings before interest, taxes, depreciation, and amortization (EBITDA) was expected to increase after the proposed change.
Outcome	The engagement discussion was useful in informing our position prior to electing on this event. The consent solicitation was approved in March 2024.
Company	**Adler Real Estate AG**
Geography and Industry	Germany SICS Industry: Real Estate Services
Asset Class	Fixed Income
Background	The corporate action election event leading to this engagement was focused on amending terms of bond issuances associated with Adler Estate AG's ("Adler") deleveraging efforts in the context of a company-wide restructuring.
Activity	We engaged with Adler in February 2023 in response to a corporate action election event to better understand the context of the bondholder consent solicitation and to inform our election decision. There were various amendments to the terms of bond indentures, including extending maturities, as the company sought to sell off assets and reduce debt levels. As part of the restructuring, there had also been significant changes to corporate governance at the issuer, including a new chairman.
Outcome	The engagement discussion was useful in informing our position prior to electing on this event. While the proposed amendments to indenture terms were rejected by bondholders of select tranches, the issuer's restructuring plan was sanctioned by a court under UK law in May 2023. However, in January 2024, this ruling was overturned as part of an appeal, putting the restructuring into jeopardy. Given the breadth of governance-related changes at the issuer as part of the restructuring efforts, we followed-up with another engagement to assess progress with restructuring efforts and related governance considerations.
Follow-up 2024	
Background	After the January 2024 court ruling, Adler returned to the market with another, updated consent solicitation in June 2024.
Activity	We engaged in June 2024 to understand the ask associated with the new, updated consent solicitation. Adler articulated their position for seeking the consent. Representatives also noted that this second consent solicitation has a more balanced plan for the distribution of maturities under the proposed restructuring. In terms of governance-related developments, the chairperson had resigned and the role was assumed by an individual who had been on the board for over a year.
Outcome	The engagement discussion was useful in informing our position prior to electing on this event. The updated consent solicitation was approved in June 2024.

Regional Focus

In 2024, we revised the structure of our Asset Stewardship team and expanded to include regional heads for the Americas, Europe, the Middle East and Africa (EMEA), and Asia Pacific (APAC). This has enabled us to better engage with more companies and better monitor and respond to local developments. Below, we share observations from our regional activities, as well as examples of the more tailored regional engagement supported by our enhanced structure.

Figure 20
Breakdown of Engagements by Region



Source: State Street Global Advisors 2024, 31 December 2024.
* Rest of the World.

Americas

In 2024, the Asset Stewardship team conducted more than 800 engagements in the Americas region and voted at nearly 5,000 shareholder meetings in North America.

We observed certain trends during proxy season. For example, there was a decrease in overall support for environmental and social shareholder proposals for a third consecutive year in 2024. There continued to be a high volume of environmental- and social-related shareholder proposals in 2024, with a record number being settled before being included in the proxy statement. Proposals that went to a shareholder vote were increasingly prescriptive, focused on topics that were not material to the company, or targeted companies that were leaders in terms of their disclosures and oversight. Given the continued low levels of support, some proponents explored alternative tactics such as a proxy contest.

Many of our engagements in the region focused on topics related to long-term strategy, including governance and sustainability. Examples of the themes that were important in 2024 included:

Emerging Technologies In recent years, our team has sought engagements with companies developing and using emerging technologies, including artificial intelligence (AI). This continued to be a theme that we discussed with companies in the Americas, including companies that are just starting to use these technologies. Companies described varying approaches to transparency and disclosure on risks and opportunities related to AI, as well as the potential impact of these tools on their workforces. We also heard from boards that are keen to add directors with AI experience.

CEO Succession Planning We view well-formed and proactive succession planning as essential to the execution of a company's long-term strategy. As such, engagements on succession planning continue to be a core topic of the Asset Stewardship team. We believe periods without a permanent CEO or incomplete management team may present companies with challenges in setting clear strategy, making capital allocation decisions aligned with a long-term vision, and communicating effectively to stakeholders. We also view the transition process as an essential element of CEO succession planning.

With this in mind, we monitor CEO turnover trends and events due to the potential impact on the long-term value of companies. CEO turnover in the US has increased in recent years, leading to a number of high-profile, unexpected CEO transitions in 2024. Our team had engagements with boards to better understand their approach to succession planning and inquired about their readiness for potential CEO, management, and director transitions.

Throughout our conversations with companies on this topic, we have observed best practices with respect to the board's involvement and oversight of succession planning. We believe some of these practices may help boards assess internal talent, foster relationships with future company leaders, and focus on retaining and motivating these key individuals.

Europe and UK

UK-Listed Water Utilities

The EMEA Asset Stewardship team conducted focused outreaches with the three UK listed water utility companies — Pennon Group Plc (owner of South West Water), Severn Trent Plc, and United Utilities Group Plc. The intention of these engagements was to better understand board oversight of management on environmental matters relevant to their business, including their navigation of associated legal, regulatory, reputational, and financial risks. We also sought to understand the impact of this increased scrutiny on the executives, the workforce, and relationships with customers and communities.

All companies were responsive to our request for engagement, and several themes arose consistently throughout each discussion. The first was the impact of extreme weather occurrences and need for climate adaptation and resilience. Company leaders mentioned the need to invest in aging infrastructure to handle more heavy rainfall events and the role of innovation and effective monitoring. One company also cited the challenge of keeping customer bills affordable while investing in infrastructure improvements. We also discussed the regulator's role in determining how capital investment is allocated to projects and how the board was overseeing the companies' responsiveness to and engagement with regulators. We noted varying responses to the question of how much agency companies felt they had to mitigate many of the issues, as well as to satisfy the regulatory requirements. Finally, we sought to understand the impact of the increased scrutiny on the attraction, retention, and motivation of executives and the wider workforce.

The executives acknowledged and demonstrated awareness of the range of risks we raised and their opportunities to address them, and boards indicated their active oversight of the management in relation to them. We intend to keep the dialogue open as we follow happenings in this sector that could impact companies' ability to generate long-term value and their license to operate.

Remuneration Consultations in the UK and Europe

We often engage with companies to understand how the board structures executive compensation so that it is aligned with shareholder outcomes. We held several remuneration-related discussions with companies in the UK and elsewhere in Europe ahead of the proxy season in Q1 2024 and identified a number of common themes. We observed some companies proposing increases in pay opportunities as well as less common remuneration structures, such as restricted share plans for executives, citing reasons including increased business complexity and a need to move closer to US practices on pay to retain talent. Compared to UK companies, other European companies appeared to be more conscious of societal attitudes to and public perceptions of high levels of executive pay, potentially limiting their inclusion of global peers in assessing such pay opportunities.

We had conversations about changes to particular remuneration elements, and we were pleased to see alignment with our view on best practices in several instances. For example, some French companies removed a particular compensatory effects mechanism, while others removed the ability for long-term incentive plans to vest for below median levels of relative total shareholder return (rTSR) performance and reduced weightings attached to non-financial metrics.

Generally, where companies are making changes to executive remuneration, we believe including disclosure incorporating a clear rationale and direct relationship between executive remuneration and achievement of strategy and company performance over the long term to be best practice. For companies identifying with a global peer group as a reason for increased overall remuneration, we find heightened disclosure showing how broader shareholder perspectives are taken into account when considering remuneration to be useful.

Asia Pacific

Japan Proxy Season: Capital Efficiency

In 2024, we continued to engage with portfolio companies on the board's oversight of strategic decisions and risk management, including the deployment and allocation of capital in alignment with long-term shareholder value creation.

"Cross-Shareholdings" is a long-standing feature of the balance sheets of many Japanese companies. In our view, it can be detrimental for corporate governance practices and shareholder value. This view was based on insights from our thematic engagement in 2022 when we engaged with companies identified with substantial cross-shareholdings.

Since the implementation of our voting guidelines, we have increasingly observed companies acknowledge and address their exposure risks to cross-shareholdings by disclosing reduction targets and unwinding some of those positions. The number of directors we voted against for cross-shareholding concerns decreased from 14 in 2023 to 12 in 2024.

Australia: Director Election Practices and Governance

Most Australian companies hold triennial director elections. This means that it can take up to three years before a specific director is offered up for re-election at general meetings. We find that these staggered boards, a common Australian market practice, pose constraints for investors to exercise vote against directors.

In the event of high-profile corporate governance controversies, staggered boards may limit the ability for shareholders to hold specific directors accountable. This can exacerbate entrenchment and insulate directors from being held accountable in a timely manner by shareholders.

Despite the common practice of staggered boards in Australia, a few companies in the market have gone beyond local listing rules. Companies such as BHP Group Ltd and Rio Tinto Ltd have adopted annual director elections. The BlueScope Steel Ltd chair has volunteered for re-election after a two-year term, providing a signaling effect to the company on shareholder endorsement.

We believe there is an opportunity in Australia for progress on elevating director election practices, and it would be best addressed at the market level. Annual director elections strengthen the ability to encourage board members to be more responsive to shareholder interests. Therefore, we encourage companies to review director election practices as we believe further enhancement can lead to improvements in board accountability and quality and advance corporate governance practices in the market.

Emerging Markets

While continuing our engagements with companies in developed markets, such as Australia and Japan, we substantially increased the number of interactions with companies in APAC Emerging Markets[11] — South Korea, Taiwan, India, Indonesia, Malaysia, Philippines, and Thailand. We conducted general engagements with some of the region's largest companies to understand their strategy, corporate governance principles, and practices.

The broad range of engagements across markets and sectors in APAC's emerging markets deepened our understanding of companies' governance practices in the region and will inform our stewardship efforts going forward.

Some insights from our engagements include the following:

- **Governance standards vary across markets as regulators set different expectations.** During engagement regarding board independence, we communicated our proxy voting principles and highlighted the importance of independence at the board and committee levels. In discussing board composition, we communicated our proxy voting policies on the topic. In conversations about overboarding rules, we observed that the governance regulations and practices on the number of maximum directorships held by a single director vary by market.

- **Concentrated ownership is a common feature across the region.** The APAC region has a higher prevalence of companies where a significant portion of a company's shares is held by a small number of shareholders, which have control or exert significant influence on decision making. We engaged with a number of issuers that have an individual founder or multi-generational family as the controlling or largest shareholder. Many of the companies we spoke to indicated that there are no major plans to restructure the current ownership structure in the short or medium term.

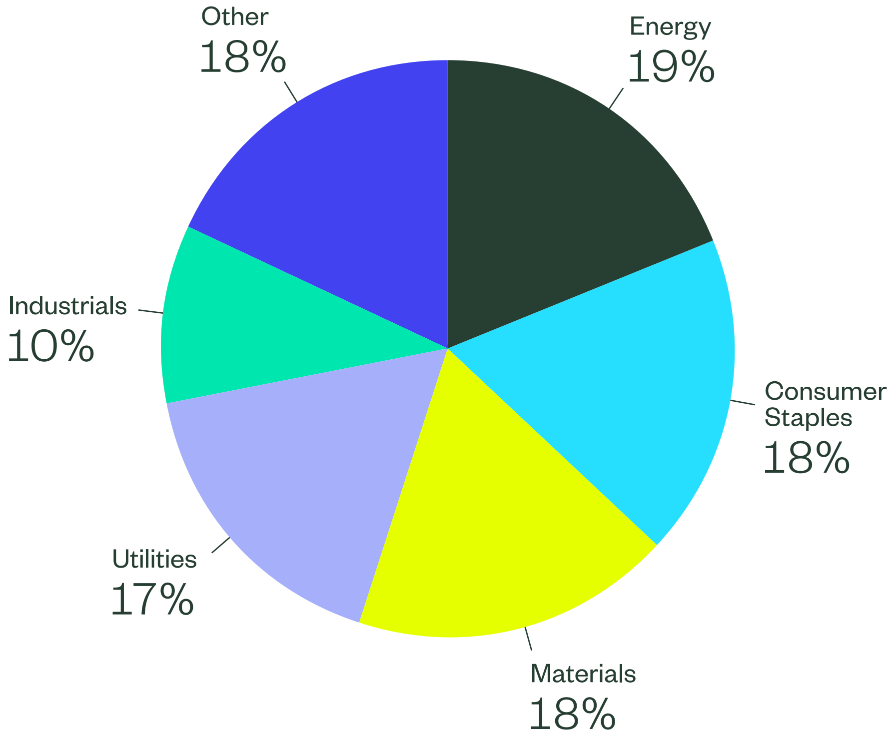
- **Companies continue to enhance their sustainability disclosures.** Companies in the region are proactively improving their sustainability-related disclosures in line with evolving best practices. This is usually led by the largest corporates in each market, which tend to be the first adopters of new standards and pave the way for the rest. Many of them also proactively contribute to initiatives and working groups led by the respective local regulator that help to facilitate market feedback and provide more bespoke guidance that facilitates adoption of new standards.

Thematic Engagement

Engagements with Companies that Adopted Climate Transition Plans[12]

We seek to understand and assess how companies are effectively managing the climate-related risks and opportunities that are material to their business, including those presented by the transition to a lower-carbon economy. In 2022, we began conducting engagements with companies that had adopted climate transition plans to discuss guidance and to better understand the risks and opportunities companies are facing. We have continued these thematic Climate Transition Plan Disclosure engagements, conducting 85 in 2023 and 117 in 2024.

Figure 21
Companies Engaged on Climate Transition Plan Disclosure in 2024, by GICS Sector



Source: State Street Global Advisors, 31 December 2024.

Climate Transition Plan Disclosure Assessment Criteria

We do not expect nor require companies to adopt net zero ambitions or join relevant industry initiatives. For companies that have adopted a net zero ambition and/or climate transition plan and that receive a related shareholder proposal, we assess the proposal against the disclosure criteria set out below. Given that climate-related risks present differently across industries, our assessment of the below criteria may vary to account for best practices in specific industries.

Figure 22
Climate Transition Plan Disclosure Criteria for Companies that Have Adopted a Climate Transition Plan

General Climate-related Disclosures	Description of approach to identifying and assessing climate-related risks and opportunities Disclosure of resilience of the company's strategy taking into consideration a range of climate-related scenarios Disclosure of Scope 1, Scope 2, and relevant categories of Scope 3 emissions and any assurance
Ambition	Disclosure of long-term climate ambitions
Targets	Disclosure of short- and/or medium-term interim climate targets Disclosure of alignment of climate targets with relevant jurisdictional commitments, specific temperature pathways, and/or sectoral decarbonization approaches
Decarbonization Strategy	Disclosure of plans and actions to support stated climate targets and ambitions Disclosure of emissions management efforts within the company's operations and, as applicable, across the value chain Disclosure of carbon offsets utilization, if any Disclosure of the role of climate solutions (e.g., carbon capture and storage) Disclosure of potential social risks and opportunities related to climate transition plan, if any
Capital Allocation	Disclosure of integration of relevant climate considerations in financial planning Disclosure of total actual and planned capital deployed toward climate transition plan Disclosure of approach to assessing and prioritizing investments toward climate transition plan (e.g. marginal abatement cost curves, internal carbon pricing, if any)
Climate Policy Engagement	Disclosure of position on climate-related topics relevant to the company's decarbonization strategy Disclosure of assessment of stated positions on relevant climate-related topics versus those of associations and other relevant policy-influencing entities, such as trade associations, industry bodies, or coalitions, to which the company belongs, and any efforts taken as a result of this review to address potential misalignment
Climate Governance	Disclosure of the board's role in overseeing climate transition plan Disclosure of management's role in overseeing climate transition plan
Physical Risk	Disclosure of assessment of climate-related physical risks Disclosure of approach to managing identified climate-related physical risks
Stakeholder Engagement	Disclosure of engagement with relevant internal stakeholders related to climate transition plan (e.g., workforce training, cross-functional collaboration) Disclosure of engagement with relevant external stakeholders related to climate transition plan (e.g., industry collaboration, customer engagement)

Source: State Street Global Advisors, 31 December 2024.

Climate and Nature-related Risks in the Food Value Chain

Companies across the food and agriculture value chain may be exposed to a range of potential climate and nature-related regulatory,[13] reputational,[14] legal,[15] and market-related risks and opportunities. These span from climate-related physical and transition risks to risks associated with deforestation and other land use, water management, and pollution and waste.

In 2024, we began engaging companies across the food and agriculture value chain to gain a better understanding of these climate and nature-related risks and opportunities and best practices for managing them. In the first year of this campaign, we engaged 24 companies in several parts of the value chain from agricultural inputs to food and staples retailers.

Through these engagements, we deepen our understanding of the unique challenges that companies and industries face in their efforts to manage nature-related risks and opportunities and to implement their associated climate transition plans.

Risks and Opportunities of Emerging Technologies	In 2022, we identified risks and opportunities related to emerging technologies as an area of growing importance, considering the recent advancements in development and adoption of emerging technologies like generative artificial intelligence (AI), and began discussing this topic with portfolio companies. Some of the risks and opportunities include social themes, such as discrimination, privacy, and misinformation. In 2024, we began conducting engagements with companies in the Technology and Communications sectors that are involved in the development or implementation of these technologies. As a part of this campaign, we discussed risks and opportunities associated with machine learning algorithms and AI, in addition to other emerging technologies that companies identify as relevant to their businesses.
Human Capital Management	In 2024, we engaged 20 of the largest US employers, which are also among our top holdings. Our conversations focused on risks and opportunities related to human capital on the following topics: board oversight; human capital strategy; compensation strategies; and employee voice. We shared our view on best practices for disclosures on this important topic with companies engaged.

5 Internal Governance of Asset Stewardship Program

We believe an effective stewardship approach is underpinned by strong internal governance, appropriate resourcing, and robust processes and must follow a deliberate and well-considered approach. In this section, we describe the governance structure of State Street Global Advisors and the firm's model for managing conflicts of interest.

Our Approach to Governance

State Street Global Advisors sits within State Street Corporation's wider corporate governance framework, led by its board of directors. State Street Global Advisors' governance structure consists of three senior committees, which are designed to support effective and efficient decision-making and provide oversight of its business functions:

- The Risk Committee ("RC") serves as the central escalation, review, and challenge point for the firm's risk profile, material risk trends, and all matters escalated from other committees. The RC also reports and escalates issues to State Street's senior risk committees as it deems necessary and appropriate.

- The Global Product and Investment Committee ("GPIC") is responsible for the firm's investment philosophy and overseeing the investment process, investment strategies, approach to new markets and instruments, relationships with counterparties, and the creation of new products based on the firm's investment strategies. The GPIC also reports to State Street's New Business and Product Review and Approval Process Committee ("NBPRA").

- The Global Fiduciary and Conduct Committee ("GFCC") is responsible for addressing fiduciary and business conduct matters across the firm as well as oversight of the firm's collective investment funds. The GFCC also reports to State Street's Fiduciary Review Committee ("FRC").

These senior committees and the subcommittees underlying each apply a consistent approach to the establishment and implementation of firm-wide policies and procedures and provide broad oversight of the business functions. This governance structure is administered by an Internal Governance Oversight team, which focuses on promoting efficiency, clarity, and accountability with respect to decision rights and firmwide oversight. The guiding principles embodied within this governance structure, and upon which the Internal Governance Oversight team operates are:

- Promote a culture of efficient and effective decision-making
- Reinforce ownership of and accountability for decision-making and management of key risks by business leaders
- Enhance accountability for adherence to policies and decision-making protocol in support of our client service objectives and leadership reputation

In 2024, State Street Global Advisors embarked upon an initiative to streamline its governance structure with the objective of improving efficiency and speed of decision making across the company. As part of this, the existing Global Investment, Global Product, Global Operations and Compliance, and ESG Committees were formally dissolved.

The oversight responsibilities of the ESG Committee were integrated among other committees and within the business. While the firm's governance structure has been simplified, oversight of sustainable investing and asset stewardship matters remains the same. Furthermore, the firm's sustainable investing capabilities and asset stewardship strategy are unaffected, and the firm is committed and structured to effectively oversee those activities.

Figure 23
Governance Structure

Global Product & Investment Committee	Global Fiduciary & Conduct Committee	Risk Committee
Responsible for the firm's investment philosophy and overseeing the investment processes, investment strategies, approach to new markets and instruments, relationships with counterparties, and the creation of new products based on the firm's investment strategies.	Responsible for addressing fiduciary and business conduct matters across the firm and oversight of the firm's collective investment funds.	Responsible for ensuring the alignment of strategy, risk appetite and risk management standards (corporate-wide).
Subcommittees	**Subcommittees**	**Subcommittees**
EMEA Product	Independent Fiduciary	Liquidity & Derivatives
Sub-Advisory Oversight		Trade Management Oversight
		North American Valuation
		EMEA Valuation
		APAC Valuation

Source: State Street Global Advisors, 10 December 2024.

Our Approach to and Oversight of Proxy Voting Policies

The Global Fiduciary and Conduct Committee is responsible for reviewing and approving, at least annually, the firm's Global Proxy Voting and Engagement Policy along with the Global Proxy Voting and Engagement Procedure, and any changes to these documents.

Team Structure and Resourcing

State Street Global Advisors has a team specifically devoted to asset stewardship. The Asset Stewardship team is based around the globe — operating out of the US, the UK, Singapore, Poland, Australia, and India. Team members have professional expertise in the fields of audit, governance, corporate strategy, environmental management, policy-making and regulation, and economics. This expertise was developed in corporate, advisory, government, and financial roles.

We continue to seek ways to strengthen our Asset Stewardship program. We have expanded the team, which has more than doubled in the past few years, reflecting the firm's commitment to the program. Within the past 18 months, we have significantly strengthened our global stewardship presence by assigning regional heads in the Americas, EMEA, and APAC and bolstered our research capabilities by creating a dedicated Stewardship Research team and appointing a Head of Stewardship Research. We believe this structure of team members with deep technical specialization complemented by regional expertise creates strong understanding, capacity, and capability for engagement and voting with our portfolio companies in the best interests of our clients' investments. Biographies of the senior leaders of our Asset Stewardship team are provided in the Appendix of this report.

We also draw upon cross-functional resources for research, investment strategy, and operations, and several sustainable investing resources across the business within individual Investment Marketing, Operations, and Reporting teams who devote a significant portion of their time to sustainable investing and asset stewardship-related matters.

Our Conflicts of Interest Policy

State Street Corporation ("State Street") has a comprehensive standalone Conflicts of Interest Policy and other policies that address a range of identified conflicts of interest that may apply to State Street Global Advisors. Under the Conflicts of Interest Policy, State Street Corporation defines a conflict of interest as "a circumstance where State Street or its employees have interests or relationships that could raise questions about State Street's objectivity, judgment, or ability to perform services for a particular client or group of clients." The Conflicts of Interest Policy sets forth State Street's approach to identify and appropriately manage all conflicts of interest in connection with the provision of State Street's services. Whenever a potential conflict is identified, State Street responds with a combination of disclosure, mitigating controls, or conflict avoidance. The Conduct Risk Management Office serves as an escalation point. The Conflicts of Interest Policy is reviewed periodically and was last updated in 2024.

In addition, State Street Global Advisors maintains a conflicts register that identifies key conflicts and describes controls in place to mitigate the conflicts (the "Conflicts Register"). Further, Managing Conflicts of Interest Arising From State Street Global Advisors' Proxy Voting and Engagement Activity (the "Conflicts Mitigation Guidelines") is designed to act in conjunction with related policies and practices employed by other groups within the organization and complement those policies and practices by providing information about managing the conflicts of interest that may arise through State Street Global Advisors' proxy voting and engagement activities.

The combination of the Conflicts of Interest Policy, Conflicts Register, and Conflicts Mitigation Guidelines detailed above enable us to identify, manage, and mitigate conflicts of interest that may arise through our business activities.

Managing Conflicts Related to Proxy Voting and Engagement

State Street Global Advisors has implemented processes designed to prevent undue influence on State Street Global Advisors' proxy voting and engagement activities that may arise from relationships between proxy issuers or companies and State Street Corporation, State Street Global Advisors, State Street Global Advisors affiliates, State Street Global Advisors Funds, or State Street Global Advisors Fund affiliates.

State Street Global Advisors assigns sole responsibility for the implementation of its Global Proxy Voting and Engagement Policy (the "Policy") to members of its Asset Stewardship team, a team that is independent from other functions within the organization, such as sales and marketing, investment, or client facing teams. All State Street employees are subject to State Street's Standard of Conduct, Conflicts of Interest Policy, and other policies that address a range of identified conflicts of interests. Proxy voting and engagements are undertaken in accordance with the Policy, which is reviewed and overseen by the State Street Global Advisors' Global Fiduciary and Conduct Committee. Any changes to the Policy are communicated to the Asset Stewardship team in a timely manner to ensure that they understand the potential impact to their proxy voting and engagement activities. In rare circumstances where nuances within specific proxy proposals fall outside of the scope of the Policy, requiring case-by-case analysis, such proposals are escalated to the Global Head of Asset Stewardship. Voting consistently with the Policy helps mitigate potential conflicts of interest, as the Policy is determined without reference to any specific entities or relationship.

Members of the Asset Stewardship team may from time to time discuss views on proxy voting matters, company performance, and strategy, among other topics with other State Street Corporation or State Street Global Advisors employees, including portfolio managers, senior executives, and relationship managers. However, final voting decisions are made solely by the Asset Stewardship team, in accordance with the Policy and in a manner consistent with the best interest of its clients. In addition, State Street Global Advisors generally exercises a single voting decision for each ballot item across the client accounts for which it is responsible for proxy voting regardless of investment strategy.[16]

Other protocols designed to help mitigate potential conflicts of interest include those in Figure 24.

Figure 24
Examples of Potential Conflicts of Interest and Mitigation Protocols

Types of Potential Conflict	Stewardship Conflict of Interest Description	Typical Conflict Mitigation Protocols That We Employ
Business Relationships	A conflict of interest may arise where, for example, we hold investments in companies with which we, or our affiliates, have material business relationships.	Assigning sole responsibility for the implementation of the Global Proxy Voting and Engagement Policy to members of the Asset Stewardship team and voting in accordance with the Policy are our primary conflict mitigation protocols. Furthermore, the voting rationale is recorded to provide transparency. Additional mitigation steps may be implemented on a case-by-case basis. This may include, for example, blackout periods for communications with issuers/clients.
Equity Investments	A conflict of interest may arise where client accounts and/or State Street Global Advisors pooled funds, where State Street Global Advisors acts as trustee, may hold shares in State Street Corporation or other State Street Global Advisors affiliated entities, such as mutual funds affiliated with SSGA Funds Management, Inc.	Mitigants may include, for example, outsourcing voting decisions relating to a shareholder meeting of State Street Corporation or other State Street Global Advisors affiliated entities to independent outside third parties.
Outside Business Interests	A conflict of interest may arise where an Asset Stewardship team employee or a key employee in the firm has an outside business interest (such as a director role in a company we invest in, or in the same industry as we invest).	State Street Global Advisors maintains an Outside Activities Policy, and employees must submit a request requiring approval before undertaking any outside activities that are captured by the Outside Activities Policy. The request will be reviewed by the employee's manager and the Conduct Risk Management Office to ensure compliance with applicable policies and procedures (such as the Global Anti-Corruption Policy and the Standard of Conduct) and ensure potential conflicts are mitigated. Additional mitigation steps may be implemented on a case-by-case basis. This may include, for example, retaining an independent fiduciary to make a voting decision where State Street Global Advisors believes it may be conflicted from voting due to an employee's outside business interest and outsourcing voting decisions relating to shareholder meetings of issuers where State Street Corporation's independent directors serve as board members.
Other Personal Conflicts	A conflict of interest may arise where a family member or other personal contact of an employee is employed by a company in which we invest.	Mitigation steps may be implemented for personal conflicts on a case-by-case basis. This may include, for example, filing a Personal Conflicts declaration with a mitigation strategy to document how the conflict will be avoided. Such strategies may include, for example, a member of the Asset Stewardship team with a conflict recusing himself/herself from voting and participating in engagement activities at the relevant company, and implementing blackout periods for communications with issuers/clients.
Securities Lending	We may lend securities that we hold in one of our portfolios to another financial counterparty. This may create a conflict of interest regarding whether to recall those securities to enable us to vote on behalf of the portfolio in a shareholder resolution, which may impact the intended securities lending income.	Our approach to securities lending recall, and any potential conflicts that may be created through our securities lending recall activity, is governed by the Securities Lending Recall for Proxy Voting Procedure, which is co-owned by the Asset Stewardship team, Securities Lending team, and Proxy Operations Group. The conflict mitigation protocols include predefining criteria to systematically recall shares, periodic review of the recall procedure by relevant stakeholders, and periodic reporting of recall activities and associated forgone lending income to the relevant internal governance bodies.

Source: State Street Global Advisors, 31 December 2024.

Conflicts of Interest — Identification and Mitigation in 2024

Examples of how we managed specific conflicts of interest in 2024 include:

- Outsourced voting decisions relating to shareholder meetings of State Street Corporation and the company of which State Street Corporation's CEO serves as a non-executive board member to an independent third-party fiduciary
- Outsourced voting decisions for companies where members of State Street Corporation's board sit on the board
- Outsourced voting decisions for a transaction in which State Street Global Advisors had a stake
- Required recusal of an employee from participating in voting and engagement activities with a specific issuer due to a personal relationship

Training and Knowledge Sharing

Within daily operations, each stewardship analyst has access to a handbook document that serves as a reference point for analysts on various stewardship topics including, but not limited to, proxy voting procedures, guidelines for engagement, advisor oversight, conflicts of interest, information sharing, and record keeping. The handbook document is intended to be a living, centralized, helpful resource that is refreshed and enhanced on an ongoing basis and reviewed annually. New team members receive a rigorous introduction and onboarding program, and the team also receives refresher training on policies and key policy changes before the start of the proxy voting season.

Additionally, the Sustainable Investing and Asset Stewardship team provides training internally to key stakeholders on an ongoing basis and across firm functions in global locations, including portfolio management, sales, relationship management, portfolio strategy, data, and research teams. Training covers a variety of topics and developments, which may include proxy voting and engagement, oversight of material risks and opportunities in investee companies, investment strategies and products, taxonomy, as well as portfolio assessment on sustainability scores, climate and business involvement, and controversy.

Members of the Sustainable Investing and Asset Stewardship team regularly meet with internal colleagues to discuss industry trends, client needs, research priorities, sustainability metrics and analytics, and new sustainable investing strategies, among other topics.

In addition, State Street facilitates several employee resource groups, including sustainability focused groups, that promote learning, peer support, and growth in specific areas:

- The Environmental Sustainability Employee Network (ESEN)'s vision is to advance State Street's sustainability initiatives by driving and communicating employee engagement, operational initiatives, cultural transparency, and community involvement, while supporting and actively participating in sustainable client product and service initiatives.
- The Professional Women's Network (PWN) leads programming to support professional development and networking opportunities and drive a culture of inclusion aligned with the firm's corporate goals aimed at inspiring and motivating women to achieve personal bests and fuel State Street's success.
- The Race & Ethnicity Network is a forum where all employees can interact and support other colleagues, raise awareness, and promote inclusion and equity for diverse ethnicities and cultures at State Street.

- The Disability Awareness Alliance is aimed to provide support and resources for both employees with disabilities and caregivers supporting people with disabilities.

- Pride & Friends is a network of company leaders focused on LGBTQ+ employee and community support, education, and advocacy.

- NextGen supports early career professionals in expanding their network for professional development.

Third-Party Service Providers

The Asset Stewardship team complements the services provided by in-house resources with third-party service providers. In order to facilitate the execution of our proxy votes, we retain Institutional Shareholder Services Inc. ("ISS"). We utilize ISS to: (1) act as our proxy voting agent (providing State Street Global Advisors with vote execution and administration services), (2) assist in applying our voting guidelines, and (3) provide research and analysis relating to general corporate governance issues and specific proxy items. State Street Global Advisors does not follow the voting recommendations of any policy offered by ISS or any other proxy voting policy provider in implementing the Policy. ISS also helps to implement our Investor Voting Choice program and provides certain policies available through our Investor Voting Choice program. In addition, Broadridge supports our Investor Voting Choice program for our ETFs and mutual funds by reaching out through intermediaries to underlying shareholders, collecting responses, splitting the ballots, and administering mirror voting for our SPY and DIA ETF Trusts.

In situations in which we use third-party providers, they are expected to deliver the same standard that we have set for our internal resources. We employ robust processes and governance oversight to monitor service providers and engage with them when expectations are not being met, as discussed below.

Monitoring Proxy Voting Activities

We have ongoing processes to oversee ISS's implementation of the Policy, in addition to an annual vendor due diligence process to ensure ISS continues to have adequate staff resources and competencies, systems, processes, and controls in place to provide services at the level of quality required to support our voting activities. We discuss any issues that have arisen, agree on areas for improvement, and identify opportunities for new areas of development.

In addition, we also have access to Glass Lewis and region-specific meeting analysis provided by the Institutional Voting Information Service (IVIS). Research and data provided by these third parties complement our in-house analysis of companies and individual ballot items.

Examples of the processes and oversight that support our stewardship activities include:

- **Control testing by the dedicated Business Risk Management Executive (BRME) Team** BRME is part of the first line of defense and follows the State Street Assurance Standard in implementing a control testing coverage and frequency model; Compliance and Enterprise Risk functions — both part of the second line of defense — also perform targeted reviews.

- **Internal Audit Reviews** Our Internal Audit function — the third line of defense — periodically conducts independent reviews of our internal controls, such as the processes and controls followed in our stewardship activities.

We aim to continually strengthen our internal oversight and control environment, including in response to review and oversight. During 2024, our Internal Audit function reviewed our issuer engagement activities and found that we have implemented effective processes over day-to-day issuer engagements and designed and implemented key controls to mitigate risks inherent in the engagement activities.

Regarding disclosure, our goal is to ensure that our stewardship reporting is fair, balanced, understandable, and serves our clients' best interests. For example, when we publish company engagement highlights, we select examples that are balanced among different sectors and regions and based on a wide range of topics, challenges, and successes. Our stewardship publications, including activity reports, thought leadership pieces, and vote bulletins are subject to a comprehensive review process by relevant senior leaders within the Asset Stewardship team, as well as our standard marketing compliance process before publication.

6 Promoting Well-Functioning Markets

Interacting With the Market

We recognize our responsibility to support well-functioning markets and do so through a multi-targeted approach to engagement with the market. We engage with regulators, policymakers, our clients, and our portfolio companies on the matters that we believe are most important to our work on behalf of our clients.

Thought Leadership on Asset Stewardship and Sustainability Topics

We promote awareness of our stewardship approach, as well as the firm's capabilities and insights, in various ways, including the publication of thought leadership content on our website.

Figure 25
Thought Leadership Example Topics

Asset Stewardship	• Fixed Income Stewardship Program Updates
Market Trends	• Exploring Transformative Technologies — En Route to Peak Altitude • Mortgage Optimism Boosts Sentiment • How Long Can the US Market Outperform the World?
Integration of Climate in the Investment Process	• Investing in the Future: Approaches to Climate Change in Portfolios
General Sustainable Investing Insights (State Street Global Advisors)	• Achieving New Frontiers: The Role of Bonds in Sustainable Investing • The Challenging Sustainable Investing Landscape: One Size Does Not Fit All • Navigating Sustainable Investing: Regulation as a Driver of Opportunity and Risk
General Sustainable Investing Insights (State Street Global Advisors)	• Corporate Alignment With the EU Taxonomy for Sustainable Activities • Navigating the Green Tightrope: Carbon Offsets, Decarbonization and Risk

Source: State Street Global Advisors, 31 December 2024.

Asset Stewardship Team Public Speaking Activities

In addition to our thought leadership, we also seek to provide our perspectives on asset stewardship by participating in industry and stakeholder gatherings as panelists and speakers. We use the speaking opportunities to share our message on stewardship or our views on developing issues.

Figure 26 **Public Speaking Activities**

Event	Description
American College of Governance Counsel — Annual Conference of the American College of Governance Counsel	Participated in event primarily for in-house corporate general counsel on how institutional investors can help portfolio companies produce sustainable profits.
NACD (National Association of Corporate Directors) — Future of Board Leadership Symposium	Participated in panel discussion and 1:1 discussions outlining our views on effective director oversight and disclosures.
NACD (National Association of Corporate Directors) — Compensation Chair Roundtable	Participated in roundtable with industry peers and others to express our views on executive compensation.
Society for Corporate Governance — 2024 Eastern Regional Fall Conference	Participated in panel discussion about investor voting guidelines and investor expectations with respect to governance, sustainability, cybersecurity, and AI, among other topics.
PJT Camberview — Fall Engagement Summit	Participated in panel discussion with industry partners and advisors focusing on effective board oversight and engagement best practices with respect to contested elections.

State Street Global Advisors, 31 December 2024.

Interacting With Other Market Participants

We believe that to properly exercise the duties that we owe to our clients, we must always act independently when making decisions about how to invest our clients' assets and how to vote the securities in which we invest on behalf of our clients. At the same time, we have joined various industry groups and industry initiatives, discussed in more detail below, to participate in conversations and information sharing about issues that impact global and local markets and may affect the long-term value of our clients' assets. Doing so helps us expand our knowledge and share our views with other industry members, as well as seek the best available information on important factors that may help us serve our clients.

Additionally, our parent company, State Street Corporation, is a member of various organizations and initiatives including UN Global Compact and Investment Leaders Group. State Street Global Advisors participates in some of those parent company relationships, as described below.

The following is a non-exhaustive list of the industry organizations and initiatives that we have joined and for which there was notable activity in 2024. We highlight what we believe are particular benefits to our clients and the broader capital markets with respect to supporting better disclosures, contributing to research and knowledge-sharing, and promoting standards-setting.

Supporting Better Disclosure

Japan Stewardship Code In 2024, we completed an annual self-evaluation in alignment with the Japan Stewardship Code, which encourages engagement and stewardship activities among institutional investors and the companies they invest in.

Principles for Responsible Investment (PRI) State Street Global Advisors is a signatory member of PRI, supporting and participating in disclosure around the investment implications of sustainability factors. We publicly reported our sustainable investing practices during the 2024 reporting cycle and participated in the PRI Strategy Consultation — Responding to a Changing World and the 2024 PRI Annual Conference (PRI in Person) in Toronto.

Supporting Research and Knowledge-Sharing

Cambridge Institute for Sustainability Leadership (CISL) State Street Global Advisors is a member of the CISL Nature-related Finance Steering Group and we are included in the list of contributors for their recent publication, "Scaling Finance for Nature: Barrier Breakdown."

Council of Institutional Investors (CII) State Street Global Advisors is an Associate Member of the Council of Institutional Investors. CII is an industry group that provides an opportunity for us to share our views on corporate governance and proxy voting issues and also hear directly from asset owners regarding their priorities. In 2024, we served on CII's Corporate Governance Advisory Council.

FAIRR State Street Global Advisors became a member of the FAIRR Initiative (FAIRR) in 2024. FAIRR is an investor network that provides research and tools focused on climate- and nature-related risks and opportunities in the global food sector.[17] The Asset Stewardship team independently conducts a multi-year thematic engagement focused on Climate and Nature-related Risks in the Food Value Chain. FAIRR's thematic research, tools, and data can support our knowledge development and our independent assessment of these sustainability topics.

Institutional Investors Group on Climate Change (IIGCC) State Street Global Advisors has been a member of the IIGCC since 2021 and is a contributor to a working group related to index investing.

One Planet Asset Manager initiative (OPAM) The OPAM initiative was launched in 2019 to support the members of the One Planet Sovereign Wealth Funds (OPSWF) in their implementation of the OPSWF Framework. In 2024, we attended the annual CEO summit co-hosted by the Public Investment Fund (PIF) and the OPSWF. We contributed to discussions around a consultation paper, which provides voluntary guidance for "transition-informed" index construction.

Supporting Standards-Setting

International Financial Reporting Standards (IFRS) Sustainability Alliance In 2024, we continued to use the IFRS platform to access information on IFRS and International Sustainability Standards Board (ISSB) endeavors, keep abreast of updates, and listen to academic speeches on the use of Sustainability Accounting Standards Board (SASB)/ISSB standards.

International Sustainability Standards Board Investor Advisory Group (ISSB IIAG) The firm's membership on the IIAG allows us to participate in the ongoing monitoring and reviewing of the SASB standards, which are a widely accepted framework for assessing materiality used by the market. In 2024, the firm's Asset Stewardship team members attended the ISSB Watchers Conference and also participated in quarterly advisory meetings.

Regulators and Policymakers

In recent years, some regulatory and supervisory agendas around the world have focused on climate and wider sustainability policy matters. At State Street Corporation ("State Street"), the Regulatory, Industry, and Government Affairs (RIGA) division is responsible for monitoring policy, legislative, or regulatory developments globally, and for engaging regulators and policymakers on these issues. We publish letters to regulators and policymakers on State Street's website, and details of our lobbying activities can be found here. With respect to trade organizations, we periodically assess their scope and purpose to identify where their positions align with State Street's positions, including on sustainability topics, and to evaluate the benefit of continued membership.

Our interactions with asset owners, asset managers, data providers, and other key stakeholders from across the globe give us unique insight to engage in evolving policy debates around sustainability-related topics.

Our Clients

The Asset Stewardship team works closely with the firm's Global Client Coverage Group to maintain an open and constructive dialogue with clients on the delivery of our stewardship activities. Our approach is centered on client engagement and reporting. We recognize the importance of being accountable to our clients on how we fulfil our duties as responsible fiduciaries on their behalf.

We meet with clients to discuss and answer questions about our stewardship activities. We believe that regularly engaging with our clients allows us to better understand their expectations in terms of their stewardship journey and investment objectives, and we incorporate their feedback into our stewardship program where appropriate.

We continually look for ways to improve our client engagement on these important topics. As such, we conduct periodic client meetings specifically to discuss stewardship and sustainability matters. These discussions are attended by subject matter experts from the Sustainable Investing and Asset Stewardship teams alongside the Client Coverage team.

In addition, the firm has conducted a Net Promoter Score (NPS) survey program since 2020 to gather feedback from clients to assess their satisfaction with State Street Global Advisors and identify areas for improvement. Beginning in 2023, the firm calculated company-wide NPS scores, allowing us to identify broad themes, trends, and priority areas to improve the client experience.

Over time, we have been able to implement the following improvements to ensure that we continue to deliver increasing levels of support and value to our clients:

Asset Stewardship Program

- **Enhanced Vote Transparency** We implemented a new quarterly reporting schedule in response to our clients' demand for more transparency on how we vote and engage.

- **Vote Bulletins** In 2024, we published Vote Bulletins on various topics, which can be viewed in our asset stewardship library.

Providing Client Choice

- **Investor Voting Choice Program** Launched in 2023, this program empowers clients to direct the proxy voting of shares held in the eligible funds and segregated accounts they own.

- **Sustainability Stewardship Service** Announced in 2024 and launching in 2025, this innovative, opt-in client-led solution supports our institutional clients who wish for more engagement with portfolio companies on sustainability topics.

Reporting

We provide transparency about our stewardship activities through regular client reports and relevant information reported online. Through our annual stewardship report, we provide details of our stewardship approach, engagement and voting policies, and activities during the year. This annual stewardship report is complemented by quarterly stewardship activity reports, as well as the publication of thought leadership on governance and sustainability on our website.

Consistent with our commitment to transparency, we increased the frequency with which we publish our voting record from annually to quarterly beginning in 2021. This information is available on Vote View, an interactive platform that provides relevant company details, proposal types, resolution descriptions, and records of our votes cast.

Disclosure of Shareholder Rights Directive II (SRD II) for UK Clients

In compliance with the UK SRD II, we have developed a framework that identifies our most significant votes for our UK clients. Using this framework, we create reports on a quarterly basis for our UK clients that include a brief explanation of the most significant votes identified in their portfolios across a range of governance and sustainability shareholder and management votes.

7 Investment Approach

Introduction

To help investors meet investment needs and objectives, we offer a wide spectrum of investment strategies from which our clients may choose. Whether our clients are focused on risk management, responding to new regulations, making investments that align with their values, or seeking to enhance long-term performance, our sustainable investing capabilities can support clients in achieving their sustainability objectives and investment goals.

Our sustainable investing solutions vary depending on the type of strategy provided to our clients, but generally fall into one of three broad categories:

1. **Negative Screening** A "Negative Screen" (also known as an exclusionary screen) is a screen incorporated into the investment strategy utilized for the management of a portfolio that results in the exclusion from the portfolio of securities of issuers that fail to satisfy certain sustainability criteria. Negative Screens include but are not limited to State Street Global Advisors Point of View ("POV") screens, norms-based screens, Socially Responsible Investing (SRI) screens, and screens provided by clients or other third parties.

2. **Positive Screening** A "Positive Screen" is a screen incorporated into the investment strategy utilized for the management of a portfolio that intentionally includes securities of issuers identified as having positive sustainability characteristics (including positive characteristics of sub-components of sustainability such as environmental, climate or social characteristics) relative to the issuer's industry or sector peers. Positive Screens include but are not limited to targeting an overall improvement of a portfolio's sustainability profile as compared to a benchmark or stated investment guideline, measured in sustainability scores or metrics, or investing only in issuers within an industry or sector that score higher within that industry or sector than the issuers' peers.

3. **Third Party ESG/Sustainable Index Investment Strategies** An index is deemed to be a "Third Party ESG/Sustainable Index" if the index methodology incorporates ESG/sustainability factors or characteristics that are utilized by the third-party index provider to determine which securities and/or how much in weight are included as index constituents.

Our Approach to Negative Screening/ Exclusions

At State Street Global Advisors, exclusionary screening can be applied to portfolios as a standalone approach or in combination with other investing styles. Other styles include thematic investing, such as a focus on climate or gender diversity, or integrating sustainable investing into the investment process, such as an active portfolio manager considering sustainability signals and factors, where appropriate, in efforts to mitigate risk and seek opportunities for long-term performance potential. Screening may sound simple, but the process can involve a varying amount of judgment on the part of asset managers or the third-party data providers with whom they partner to conduct exclusionary screens.

It is the choice of our clients if or how exclusionary screens are applied with respect to their portfolios. We play an important role in offering clients our own perspective, where appropriate, on how to conduct exclusionary screening. This perspective, which we have named Point of View (POV), is guided by the same rigor that steers all of our work.

POV: Guiding Principles

Four guiding principles inform our exclusionary screening POV:

1 **Systematic and Transparent Approach** We follow a well-defined methodology that can be flexibly applied to different use cases.

2 **Leverage Best-in-Class Available Data** We typically use inputs from multiple data providers where accessible to us. This broadens our overall coverage universe and reduces the potential biases of a single data provider.

3 **Awareness of Impact on Risk and Return Objectives** Our point of view is attentive to the impact of excluded securities on a broader set of investment considerations.

4 **Strive for Firm-Wide Consistency While Accommodating Differences** While we strive for global consistency, we adapt to investment styles, legal requirements, and/or market-specific norms prevalent in certain regions. This allows us to offer our clients a defined perspective as well as investment solutions most appropriate to their contexts.

POV Screening Approach

Our standard POV screens employ, where possible, a 10% revenue threshold (i.e., the screens focus on companies that derive at least 10% of their revenue from a specific factor included in the screen) and focus specifically on companies with direct involvement in a specific factor included in the screen (rather than involvement through ownership exclusively).

In addition, our POV screens leverage sustainability-related data provided by Sustainalytics and, whenever available, MSCI, and are updated on a quarterly basis. We apply focused lists and 10% revenue-based metrics with the intention of identifying those issuers with meaningful involvement in the topic or exposure in question. Our intention is to screen those issuers with the right level of involvement. This allows us to balance screening preferences with other investment considerations.

Our Approach to Positive Screening

Under our positive screening approach, we determine which investments should be included within our sustainable investing-focused funds and portfolios based on the positive sustainability characteristics they exhibit. We invest in companies or exposures selected for certain sustainability-related characteristics.

An example of how positive screening may be implemented is where a portfolio targets an improvement in sustainability-related characteristics compared to the benchmark. Our approach to positive screening identifies companies who have certain characteristics in sustainability that we can positively tilt towards in order to generate an improved profile to a standard fund or index. We use data sets to identify scores or metrics and seek to ensure we truly address and integrate the issues relevant to clients' requirements.

Positively screening companies can be used to identify themes and specific sustainability objectives our clients choose to address. This is often referred to as thematic investing, where we support our clients' desire to invest in a particular area, such as related to climate or gender diversity. For investors seeking to align their portfolios with their climate ambitions and/or align with climate-aware industry frameworks, we offer climate-related investment products and solutions that are designed to meet specific climate-related objectives. Those solutions may consider climate change mitigation, which addresses how to reduce the level of greenhouse gas emissions, and/or climate change adaptation, which addresses how to adapt to the climate change taking place and how to build resilience into portfolios.

Our range of climate products and solutions includes proprietary investment models, such as our sustainable climate equity strategies, sustainable climate bond strategies, a low-carbon equity framework, and a low-carbon bond framework, as well as strategies for which we partner with third-party index providers to build solutions for our clients.

Incorporating Sustainability in Our Asset Classes and Investment Strategies

Active Strategies

With respect to management of our clients' portfolios in active strategies, we believe sustainability factors could be considered alongside traditional investment factors when making investment decisions to develop a more complete picture of portfolio companies' future financial trajectory and business risks. We believe this practice allows issuers to demonstrate their value proposition more fully to investors and for the market to appropriately value an issuer's securities. Sustainability factors could cause either a negative or positive impact on a variety of financial metrics. In addition, we recognize that some sustainability-related risks and opportunities are likely to materialize over longer-term time horizons. Finally, the degree to which these factors may drive future business results may or may not be well recognized in the market.

Therefore, we believe it is important to assess these factors as part of a comprehensive assessment of the value of an investment, as applicable, depending on the investment strategy. However, unless specifically disclosed to investors in a strategy, sustainability factors are not material to the way the investment strategy is managed and are not necessarily determinative of investment selection.

Tools Available to Our Investment Teams

Our firm's investment teams utilize a variety of data and analytical tools in their various approaches to sustainable investing. Our sustainability data platform includes more than 50 data sets from 10 data providers, leveraging thematic information from leading third-party vendors. These data cover a range of matters including ESG ratings and scores, thematic sustainability topics like climate (e.g., carbon emissions, fossil fuel reserves, brown and green revenues, physical and transition risk, carbon value at risk), corporate governance, controversies, and product involvement.

Next, we provide additional information about our use of sustainability data in relation to R-Factor™.

What Is R-Factor™?

Sustainable investing requires a tool to measure a company's effectiveness in managing and disclosing the financially material sustainability challenges and opportunities facing the company's industry. Hence, we created R-Factor — a sustainability score that leverages multiple data sources and aligns them to the widely accepted, transparent Sustainability Accounting Standards Board (SASB) Materiality Framework for over 12,000 publicly listed companies as of 31 December 2024.

How We Use R-Factor™

We use R-Factor as a quantitative input to a variety of investment solutions and as a metric in relevant reports and factsheets. R-Factor scores are also among the many inputs our Asset Stewardship team may review when performing analyses on portfolio companies.

8 Identifying and Managing Risks

Identifying and managing risks is a critical part of our role as stewards of client capital. In this section, we provide an overview of our risk management framework and explain how we generally identify and respond to market-wide, systemic, and operational risks. We also provide information on the risks we identified and responded to in 2024.

Structure and Approach to Risk Management

We leverage the principles of the "Three Lines of Defense" model in designing our overall risk framework to drive strong risk accountability, identification, monitoring, and control improvement activities. The first line of defense comprises the business and support teams, such as portfolio managers and research analysts, which have direct risk and control ownership and risk management responsibilities. These teams are supported by an embedded and dedicated Business Risk Management Executive (BRME) team with dual reporting lines to the Chief Operating Officer of State Street Global Advisors and the Chief Administrative Officer of State Street Corporation. The second line of defense comprises the Risk and Compliance teams, which establish and monitor adherence to the risk and control framework and create an additional layer of independence. The third line of defense comprises the Audit team, which provides final assurance that the first and second lines of defense are designed and operating effectively in carrying out these responsibilities.

The State Street Global Advisors Risk Committee (RC) is the most senior oversight and decision-making committee for risk management oversight within the firm. The RC's mission is to ensure alignment of strategy and risk appetite, as well as alignment with State Street corporate-wide strategies and risk management standards.

The State Street Global Advisors Chief Executive Officer and Chief Risk Officer serve as the RC Co-Chairs. Members of the Committee are appointed by the Co-Chairs. RC members include our Chief Compliance Officer, Chief Operating Officer, Chief Financial Officer, Chief Investment Officer, and Heads of EMEA and APAC, as well as State Street's Head of Risk Superstructure.

The second line of defense risk approach is driven by our Enterprise Risk Management Group, led by the Chief Risk Officer. This group includes our Investment, Liquidity, Counterparty, Model, and Operational Risk teams. The group is tasked with monitoring, supporting, and ensuring the management of business risks throughout the organization. The Enterprise Risk Management Group's mission is to protect both our firm and our clients from unintended risks by providing an independent assessment framework to evaluate risk exposures and process controls across asset classes.

Identifying Risks

Emerging Risk Review Framework

We have established an emerging risk review framework that allows the Investment Risk Management team to proactively identify and respond to market-wide and systemic risks in the global financial system and global economies. The framework is intended to help manage and mitigate uncertainties in investment strategies and funds by proactively measuring and quantifying associated risk, thereby enabling a preventive approach to risk management. We have built out our risk management framework to include important risks that we believe cut across all risk types.

In 2024, several emerging risks were identified through the framework and reviewed, including:

- Return of banking stress coupled with the potential for a commercial real estate crisis
- War and geopolitical conflict including conflict in the Middle East
- Cybersecurity threats
- Equity index concentration and reduced diversification driven by a handful of AI-themed stocks

Investment Risk

The Investment Risk team is responsible for independently monitoring investment risk exposures to ensure that risk contributions are consistent with return expectations and to highlight intentional and unintentional exposures. Attention is focused on where risk exists and how much, and whether it is consistent with our views and client objectives. Furthermore, the team has developed an associated framework and risk processes to monitor sustainability-related targets and metrics for relevant strategies. In addition, the team provides portfolio-level risk reporting to investment managers — inclusive of climate data reporting when appropriate — to help ensure that the strategy's risk profile is consistent with the investment objectives.

Liquidity Risk

The Liquidity Risk Management team is responsible for independently monitoring and reporting on asset and funding redemption liquidity risk to ensure appropriate levels of liquidity across portfolios and to ensure adherence to regulatory liquidity requirements. Furthermore, periodic table-top exercises are held with the business to ensure awareness of roles and responsibilities and preparedness of the business and its operations through simulated stress events. These steps, along with regular monitoring and governance, ensure that liquidity risk is well understood and prudently managed.

Counterparty Risk

The Counterparty Risk Management (CRM) team strives to prudently manage counterparty risk while enabling traders to achieve best execution for clients. The team's objective is to be comprehensive, capturing all elements that materially impact counterparty creditworthiness including asset quality, earnings, funding and liquidity, capitalization, and management.

Operational Risk

The role of the Operational Risk Management team is to assist the organization in effectively managing the risk of errors in people, processes, technology, and external events in conjunction with achieving business objectives. The team oversees this process by executing a framework to identify, measure, control, monitor, and report on operational risks. In partnership with the business, the team is responsible for delivering a risk governance structure that facilitates risk discovery, prioritization, and management in order to inform business discussions and decision-making. The team is an independent risk function with responsibility for the capability of the firm's people and processes to reliably deliver their business activities, and acts as an operational risk industry liaison, continuously tracking, monitoring, and furthering best practices. Emerging risks and topics such as sustainability are identified, assessed, and monitored using Material Risk Identification and Targeted Risk Assessment, which are some of the core elements of the operational risk frameworks used by the team.

Model Risk

State Street Corporation has company-wide requirements for model risk management to which our models adhere. The Model Risk Management team administers State Street's Model Risk Management framework to ensure that model risk is identified, assessed, mitigated, and monitored over time. Independent model validation is a formally structured process intended to determine whether a model has been developed and implemented consistently with its design objectives and business uses and has an ongoing monitoring plan in place. Validation is performed in accordance with State Street corporate guidelines by independent model risk management validators. The validation conclusions determine if the model is approved for implementation. Model validation is conducted prior to model use and on a periodic basis, with a frequency commensurate with the assessed risk and whenever model changes are made, in addition to annual model reviews. These guidelines apply to both internally developed models and to all third-party or vendor models.

Managing Market-Wide and Systemic Risks

At State Street Global Advisors, we define market-wide risks and systemic risks as those that may lead to financial loss or affect overall performance of the entire market and those that may lead to the collapse of an industry, financial market, or economy.

To understand and ensure effective management of these risks, the Investment Risk team conducts a variety of stress tests, encompassing both historical and theoretical market and economic scenarios, and reports to the Portfolio Management teams. Additionally, the Operational Risk team performs the Material Risk Identification (MRI) assessment at a firm-wide level and, at a Legal Entity level, Scenario Analysis, which focuses on potential "tail risks" (i.e., low frequency, higher impact events) and Stress Testing to demonstrate adequate capitalization.

The Global Market Event Response Team (GMERT) responds to market-based crisis events that pose significant financial, legal, or reputational risk to State Street Global Advisors. GMERT's purpose is to act as a central coordinating body to address all aspects of our response to an unusual scenario. GMERT comprises senior team members of Risk, Compliance, Investment, Trading, and Operations who are all notified to ensure we provide a coordinated and appropriate response. For example, in response to the US regional banking crisis, we assessed fund and client exposures to the affected entities and the related market movements through GMERT as well as convened a working group dedicated to timely client communications.

We regard the firm's external engagement in the area of sharing risk best-practice as an important step in helping manage market-wide and systemic risks across the industry. In response to the stress in the Liability Driven Investments (LDI) market, for instance, we adjusted leverage and capital call windows, closely monitored relevant LDI indicators, engaged with the Central Bank of Ireland on enhancing macro-prudential oversight, and socialized revised regulatory expectations internally to ensure the requirements were well understood. We also actively engaged with index providers in light of FX conversion issues surrounding the Egyptian pound.

Furthermore, State Street Global Advisors conducts an annual Climate Risk Workshop to identify potential risks arising from climate change that may impact the firm's financial performance and operations. In addition, the Risk team engages in several regulatory and industry initiatives that seek to socialize industry best practices, including as active members of the Global Association of Risk Professionals (GARP) buyside forum and responding to the European Commission's consultation on "Assessing the Adequacy of the Macroprudential Policies for Non-Bank Financial Intermediation (NBFI)." Further, State Street Corporation's Third Party Risk Management (TPRM) framework establishes required oversight by setting forth minimum standards and tailored controls for all our service providers.

This industry participation, alongside our engagements with third-party providers, enables us to function in an effective and resilient manner while minimizing risks that may arise from third-party business failure, as well as sharing best practices with other market participants.

Managing Industry Risk and Liquidity Risk

In the past decade, crises demonstrated that liquidity risk is often the cause of fund failures and contagion risks across asset classes. We sought to manage systemic risks from a lack of liquidity by building out a liquidity risk management framework based on measurement and monitoring, contingency planning, disclosures, transparency, and governance.

Clear and transparent disclosures result in a set of liquidity risk management tools designed to minimize and mitigate liquidity risks for funds. Furthermore, each investment and product team holds regular table-top exercises to ensure that the teams are aware of the steps to follow and that processes are well-documented and understood. These steps, along with regular monitoring and governance, ensure that systemic risk arising from liquidity is well-understood and appropriately managed.

In November 2024, the European Commission (EC) was seeking responses to their consultation document, "Assessing the Adequacy of Macroprudential Policies for Non-Bank Financial Intermediation (NBFI)." The EC consultation was gathering stakeholders' views in response to financial stability concerns about NBFI that have emerged in international policy discussions and with initiatives in a number of non-EU and EU jurisdictions. These concerns relate to major events in recent years (e.g., the dash-for-cash in March 2020 and the UK gilt crisis in 2022), prior consultations by the Financial Stability Board (FSB) and International Organization of Securities Commissions (IOSCO), and other jurisdictions that have put forward consultations on assessing gaps in the macroprudential framework for NBFIs or have announced or implemented various initiatives for NBFI (e.g., money market funds reforms). State Street Global Advisors' Investment Risk Management and Liquidity Risk Management teams participated in the State Street response with constructive feedback to questions as they relate to liquidity management in open-ended funds, leverage, and risk from margin calls in money market funds.

Sustainability Considerations in Risk Management

In recent years, we focused on integrating sustainability considerations into the firm's risk management processes, where appropriate. In 2024, we continued to build out our risk management framework to ensure we are appropriately measuring risks, including sustainability-related risks, that may impact State Street Global Advisors and our products. In June 2024, we conducted our annual State Street Global Advisors Climate Risk Workshop with the purpose of identifying key drivers of climate risks that could impact the firm's financial performance, operations, and franchise value.

Effectiveness of Our Risk Management Approach

We monitor the effectiveness of our risk management program over time and consider where changes can help improve the risk management framework. This happens formally through processes such as Risk Appetite reviews, as well as informally as risks and emerging risks are discussed. We believe that our approach to risk management — including the identification of, and response to, market-wide and systemic risks — helps to mitigate the risk to clients and promote well-functioning markets.

Conclusion

As long-term holders of capital on behalf of our clients, we believe the informed exercise of voting rights, coupled with value-driven engagement, is one of the most effective mechanisms of creating value for our clients. Accordingly, our stewardship program identifies companies for engagement and voting in order to mitigate risks in our portfolios that may impact long-term value creation for our clients across a range of topics, including sustainability factors.

Appendices

State Street Global Advisors Key Links

Global Proxy Voting and Engagement Policy
Voting and Guidance Library

Voting Summary
Vote View

Asset Stewardship Team Senior Leader Biographies

Karen Wong
Global Head of Sustainable Investing and Asset Stewardship

Karen Wong is a Senior Managing Director and Global Head of Sustainable Investing and Asset Stewardship at State Street Global Advisors. In this capacity, she leads the asset stewardship and sustainable investing functions including sustainable investing strategy, research, and operations. She is responsible for developing and driving the firmwide sustainable investing positioning and business strategy, defining the sustainable investing product roadmap, and coordinating with the broader State Street sustainability initiatives. She is a member of SSGA's Executive Management Group.

Before joining State Street Global Advisors, Karen worked at Mellon Investments Corporation for more than 20 years, where she held various investment and leadership positions. Most recently, she was Head of Index Portfolio Management overseeing over $300 billion of assets in equity and fixed income index and beta strategies, with primary responsibility for portfolio management and business strategy. In addition, she was Mellon's ESG Champion and collaborated across the firm to drive ESG integration. In 2014, she developed and launched Mellon's first green beta product, a landmark sustainable investment solution.

Karen is a graduate of San Francisco State University with a Master of Business Administration and Bachelor of Science in Statistics and Accounting. She earned the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute and the CFA Society of San Francisco.

Benjamin Colton
Global Head of Asset Stewardship

Benjamin heads up the Asset Stewardship team globally. His responsibilities include developing and implementing our global proxy voting policies and guidelines across all investment strategies and also managing our proxy voting activities and issuer engagement on sustainability issues.

Previously, he was the Asset Stewardship team's Head of Asia-Pacific. Prior to joining the company, Benjamin served as a member of the Active Ownership Team at Norges Bank Investment Management (NBIM) based in Oslo, Norway and later in New York City, U.S.

Benjamin earned an Executive Global Master of Science in Management (Distinction) from the London School of Economics & Political Science (LSE). He also holds a Master's degree in Economics from the University of Nevada and a Bachelor's degree (Distinction) in Economics from the University of Nevada.

Claudia Chapman
EMEA Head of Stewardship

Claudia joined State Street Global Advisors in September 2023 as EMEA Head of Stewardship and is responsible for overseeing voting and engagement for the region, working closely with teams across the business. Claudia joined from the UK's Financial Reporting Council (FRC) where as Head of Stewardship she led the substantial review and implementation of the UK Stewardship Code, a world-leading voluntary code which sets expectations for investors when looking after their clients' and members' capital.

Claudia joined the FRC in 2015 to deliver a report on Corporate culture and the role of boards, which led to revisions of the UK Corporate Governance Code. Claudia grew up in Jamaica, before studying Marine Geography at Cardiff University and earning a professional marketing qualification.

Holly Fetter
Americas Head of Stewardship

Holly is the Americas Head of Stewardship at State Street Global Advisors, leading all proxy voting and engagement efforts in the Americas region.

Holly joined the team in 2020 after receiving her MBA from Harvard Business School. Holly began her career at the Ford Foundation and worked at a labor rights nonprofit before joining the MTV Social Impact team at Viacom. She has a Bachelor's degree in Comparative Studies in Race and Ethnicity and a Master's degree in Sociology, both from Stanford University.

Vesi Kertikova
APAC Head of Stewardship

Vesi joined State Street Global Advisors in August 2024 as APAC Head of Stewardship and is responsible for overseeing voting and engagement for the region, working closely with teams across the business. Vesi joined from Temasek, where she a was Director in the ESG Investment Management Team as part of the firm's Portfolio Strategy Risk Group.

Prior to Temasek, Vesi spent two years with LGT Impact Ventures as investment manager for Southeast Asia. Previously, she was part of the equity investment team at Norges Bank Investment Management for seven years as an equities analyst and index portfolio manager.

Vesi earned her MBA from INSEAD and holds a Master's degree from the University of St. Gallen, Switzerland. She is a CFA Charterholder and has been an active contributor to the advancement of best practices in the regional ecosystem, including co-chair of the ESG & Impact Committee of the Singapore Private Capital Association (SVCA) as well as a judge at the annual Morgan Stanley Sustainable Investing Challenge.

Devika Kaul
Head of Stewardship Research

Devika is the Head of Stewardship Research at State Street Global Advisors. The Stewardship Research team is a global team responsible for conducting portfolio company engagement, supporting proxy voting activities, and developing thought leadership related to the oversight and disclosure of governance and sustainability-related risks and opportunities.

Prior to joining State Street in 2021, Devika led the sustainability reporting program at Cheniere Energy, Inc. and supported climate-related supplier engagement and scientific initiatives. Her previous roles focused on investor engagement at the Interfaith Center on Corporate Responsibility (ICCR), climate risk advisory services, and environmental nonprofit work in South Florida.

Devika holds a Master of Public Administration (MPA) from Columbia University's School of International and Public Affairs (SIPA) and a Bachelor of Science in Ecosystem Science, Policy and Biology from the University of Miami.

Asset Stewardship Team Roles and Tenure

Name	Job Title / Function	Nature of Role	Years of Experience		
			ESG / Stewardship	Industry	Firm
Karen Wong	Senior Vice President, Global Head of Sustainable Investing and Asset Stewardship	Lead asset stewardship and sustainable investing functions	10	26	4
Benjamin Colton	Managing Director, Global Head of Asset Stewardship	Oversee proxy voting and engagement	15	15	7
Claudia Chapman	Vice President, EMEA Head of Stewardship	Oversee proxy voting and engagement — EMEA	10	22	2
Holly Fetter	Vice President, Americas Head of Stewardship	Oversee proxy voting and engagement — Americas	4	5	5
Vesi Kertikova	Vice President, APAC Head of Stewardship	Oversee proxy voting and engagement — APAC	9	18	1
Devika Kaul	Vice President, Head of Stewardship Research	Oversee stewardship-related research and thought leadership	4	9	4

Endnotes

1 Estimated and unaudited SSGA Sustainable Investing assets under management as of December 31, 2024 are $872 billion as calculated by SSGA for Sustainable Investing Accounts. SSGA defines a "Sustainable Investing Account" as a client account (i.e., fund or separately managed account managed by SSGA) that utilizes an investment strategy that falls into one of the following three categories, which are not mutually exclusive:

1. Negative Sustainable Investing Screen, as defined below

2. Positive Sustainable Investing Screen, as defined below

3. Third-Party ESG/Sustainable Investing Index Investment Strategies, as defined below

1. Negative Sustainable Investing Screen: A "Negative Sustainable Investing Screen" (also known as an exclusionary screen) is a screen incorporated into the investment strategy utilized for the management of a portfolio that results in the exclusion from the portfolio of securities of issuers that fail to satisfy certain sustainability criteria (e.g., because the issuers comprise part of a sector or industry). Negative Sustainable Investing Screens include but are not limited to SSGA Point of View ("POV") screens, norms-based screens, Socially Responsible Investing (SRI) screens, and screens provided by other third parties (including client-directed screens). Where a client's investment agreement and/or investment guidelines specify, or the client otherwise communicates to SSGA that the application of a negative screen is to satisfy a purpose other than sustainable investing (e.g., diversification), such screens do not qualify as a Negative Sustainable Investing Screen. Note: There are several ways in which a company can be considered to be involved in a particular product or service, and a screening methodology, along with coverage limitations, may result in a negatively screened portfolio having some exposure to the screened criteria.

2. Positive Sustainable Investing Screen: A "Positive Sustainable Investing Screen" is a screen incorporated into the investment strategy utilized for the management of a portfolio that intentionally includes securities of issuers identified as having positive sustainability characteristics relative to the issuer's industry or sector peers. Positive Sustainable Investing Screens target an improvement of a portfolio's sustainability profile as compared to a benchmark or stated investment guideline, measured by a sustainability score or a sustainability metric, or invest only in issuers within an industry or sector that score higher within that industry or sector than the issuer's peers.

3. Third-Party ESG/Sustainable Investing Index Investment Strategies: An index-tracking client account qualifies as a Sustainable Investing Account if it tracks a Third-Party ESG/Sustainable Investing Index. An index is deemed to be a "Third-Party ESG/Sustainable Investing Index" if the index methodology incorporates ESG/sustainability factors or characteristics that are utilized by the third-party index provider to determine which securities and/or how much in weight are included as index constituents. A client account that utilizes a Third-Party ESG/Sustainable Investing Index as a reference benchmark for performance or reporting purposes, but does not seek to track such index as an investment strategy, does not qualify as a Sustainable Investing Account unless it meets at least one of the first two prongs of the definition of "Sustainable Investing Account" set forth above.

The methodology used by SSGA to identify Sustainable Investing AUM may differ from the methodology used under certain classification and disclosure regulatory regimes. SSGA makes no representation that an account identified as a "Sustainable Investing Account" satisfies all Sustainable Investing categories under the SSGA Sustainable Investing Account Identification Policy. A Sustainable Investing Account may satisfy only one of the three categories described above, and within that category it may incorporate a single sustainability factor or exposure. SSGA's Sustainable Investing AUM may include AUM of client accounts for which a negative screen is applied at the request of the client for regulatory or other purposes, which may not be disclosed to SSGA, that SSGA believes results in the exclusion from the client's portfolio of securities based on sustainability criteria.

2 This figure is presented as of 31 December 2024 and includes ETF AUM of $1,577.74 billion USD of which approximately $82.19 billion USD in gold assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated. Please note all AUM is unaudited.

3 The Investment Association 2022 Report: www.theia.org/sites/default/files/2022-11/IA%20Report%20-%20Improving%20Fixed%20Income%20Stewardship.pdf

4 Source: State Street Global Advisors, 31 December 2024.

5 As of 26 February 2025.

6 "Eligible equity index assets" include all fund and client accounts managed by State Street Global Advisors and its affiliates that employ an equity index strategy and which have granted, or are able to grant, proxy voting authority to State Street Global Advisors and its affiliates.

7 Governance issues are defined by ISS Proposal Class.

8 Prudential Standard CPS 230 Operational Risk Management

9 Social risks and opportunities refer to the potential impacts on stakeholders, such as a company's workforce, customers, communities, or supply chains related to the company's climate transition plan, which may give rise to risks or opportunities related to human capital management, human rights, and economic development, among others.

10 Financial Services Agency, Press Conference, 26 December 2023.

11 As per MSCI's latest market classification: www.msci.com/our-solutions/indexes/market-classification

12 We do not require companies to adopt net zero ambitions or join relevant industry initiatives. For companies that have adopted a net zero ambition and/or climate transition plan or are in the process of developing a climate transition plan and request our feedback, we may discuss our disclosure criteria and provide guidance accordingly.

13 Source: environment.ec.europa.eu/topics/forests/deforestation/regulation-deforestation-free-products_en

14 Agriculture is a significant contributor to global deforestation and biodiversity loss. Given the growing focus on biodiversity in international policy agendas, in company commitments and disclosure, and among consumers and the public, portfolio companies across the food and agriculture value chain may be subject to increased reputational risks related to these topics.

15 Source: www.epa.gov/enforcement/criminal-provisions-water-pollution

16 Exceptions to this unified voting policy are: (i) where State Street Global Advisors has made its Investor Voting Choice Program available to its separately managed account clients and investors within a fund managed by State Street Global Advisors, in which case a pro rata portion of shares held by the fund or segregated account attributable to clients who choose to participate in the Investor Voting Choice Program will be voted consistent with the third-party proxy voting guidelines selected by the clients, (2) where a pooled investment vehicle managed by State Street Global Advisors utilizes a third party proxy voting guideline as set forth in that fund's organizational and/or offering documents, and (3) where voting authority with respect to certain securities held by State Street Global Advisors pooled funds may be delegated to an independent third party as required by regulatory or other requirements.

17 State Street Global Advisors does not participate in collaborative engagement. All engagement activities are conducted independently. While FAIRR offers collaborative engagement opportunities for investors, State Street Global Advisors' membership is limited to knowledge sharing, research, and access to data and tools.

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For over four decades, State Street Global Advisors has served the world's governments, institutions, and financial advisors. With a rigorous, risk-aware approach built on research, analysis, and market-tested experience, and as pioneers in index and ETF investing, we are always inventing new ways to invest. As a result, we have become the world's fourth-largest asset manager* with US $4.72 trillion† under our care.

* Pensions & Investments Research Center, as of December 31, 2023.
†This figure is presented as of December 31, 2024 and includes ETF AUM of $1,577.74 billion USD of which approximately $82.19 billion USD in gold assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated. Please note all AUM is unaudited.

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Marketing Communication

State Street Global Advisors Worldwide Entities

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A Smart Beta strategy does not seek to replicate the performance of a specified cap Weighted index and as such may underperform such an index. The factors to which a Smart Beta strategy seeks to deliver exposure may themselves undergo cyclical performance. As such, a Smart Beta strategy may underperform the market or other Smart Beta strategies exposed to similar or other targeted factors. In fact, we believe that factor premia accrue over the long term (5-10 years), and investors must keep that long time horizon in mind when investing.
The returns on a portfolio of securities which exclude companies that do not meet the portfolio's sustainable strategy criteria may trail the returns on a portfolio of securities which include such companies. A portfolio's sustainable strategy criteria may result in the portfolio investing in industry sectors or securities which underperform the market as a whole.
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