

Ifor Williams Trailers Retirement Benefits Plan ('the Plan') – Implementation Statement 1st April 2024 – 31st March 2025

An Implementation Statement ('Statement') has been prepared in accordance with applicable legislation, taking into account guidance from The Department for Work and Pensions for the period from 1st April 2024 – 31st March 2025 ('the Scheme Year').

The Plan's reporting period for each fund is the holding period of that fund across the Scheme Year.

The Statement sets out how, and the extent to which, the Trustees' policy in relation to exercising voting rights has been followed during the year by describing the voting behaviour on behalf of the Trustees of the Plan.

The Trustees have appointed Minerva Analytics ('Minerva') to obtain voting and investment engagement information ('VEI') on the Plan's behalf.

This Statement includes Minerva's report on key findings on behalf of the Trustees over the Scheme Year.

A summary of the key points is set out below.

BlackRock

Due to the nature of the underlying holdings, there was no voting information to report. Basic fund-level information, in line with Plan's reporting period, was provided by the manager on engagement activity. The Trustees will continue to encourage BlackRock to provide more detailed information but acknowledge that the information provided was in line with the Trustees' own policies.

Legal and General Investment Management ("LGIM")

For the Matching Core LDI and Gilt funds, LGIM stated that there was no voting information to report due to the nature of the underlying holdings. For this reason, there was also no engagement information to report for the LDI and Gilt Funds.

In relation to the Dynamic Diversified Fund, it was determined by Minerva that LGIM's public voting policy and disclosures are broadly in line with good practice as represented by the International Corporate Governance Network ('ICGN') Voting Guidelines Principles and corporate governance practice. LGIM provided summarised voting records that were in line with the Plan's reporting period. Significant votes were also provided. From this, Minerva was able to confirm that the manager's voting activity was in line with the Trustees' policy. LGIM provided basic fund-level information on engagements that was in line with the Plan's investment holding period. Despite the basic level of information, Minerva was able to confirm that the activity appeared to broadly comply with manager's own engagement approach, and so complies with the Plan's approach.

BNY Mellon

BNY Mellon confirmed they do not have a formal proxy voting policy for bond investments. In instances where bonds have voting rights, typically in relation to corporate actions, a case-by-case approach to determine the votes to cast is adopted. Given the nature of the investments in this fund, Minerva has concluded that the manager's approach is in the best financial interest of the Plan beneficiaries.

BNY Mellon provided basic fund-level information on engagements across the Scheme year, however this is not in line with the period the fund was held by the Plan (01/04/2024 – 18/06/2024). Whilst the reporting period was not in line with the Plan's investment holding period, Minerva was able to confirm that the activity appeared to broadly comply with manager's own engagement approach, and so complies with the Plan's approach.

M&G

For the Total Return Credit Investment Fund, M&G stated that there was no voting information to report. The manager provided detailed fund-level information on engagements that was in line with the Plan's investment holding period. From this, Minerva was able to confirm that the activity appeared to consistent with the manager's stated approach, and so is also consistent with the Plan's approach.

Vontobel

Due to the nature of the underlying holdings, Vontobel stated that there was no voting information or significant votes to report over the period. Given the short Plan investment holding period (01/04/2024 – 18/06/2024), Vontobel stated there was no engagement information to report on over this period.

AVCs

The Plan holds AVCs and the Trustees have determined they will not be covered in this Statement on the grounds of materiality.

Final Comments

LGIM continue to provide basic engagement information and while they are deemed to be compliant and consistent with the Trustee's policy for engagement, Minerva believe LGIM should be able to provide more granular detail on engagements. They continue to provide full information on Significant Votes. Vontobel provided no engagement information in contrast to previous years however this is likely due to the Plan's short holding period over this year. This is also the case with BNY Mellon who have previously provided detailed fund level engagement information but have only provided basic information this year. This lack of information is no longer a concern of the Trustees, given both funds have been fully sold over the Scheme year. BlackRock continue to provided basic engagement information and while they are deemed to be in line with the Plan's approach, Minerva feel they should be able to provide more detailed information at the fund level. M&G provided full engagement information over the Plan's holding period which appears to be consistent with the Plan's approach.

Note:

In previous years, Minerva has sourced engagement data for managers at firm-level where none was provided at an individual fund-level. Where this data had been sourced, the relevant manager was assessed to be 'compliant' with their own engagement approach and therefore the Trustees. This was considered reasonable in the early stages of implementation statement reporting but as reporting has developed, it would no longer be appropriate to do this. We believe all managers should be capable of providing detailed fund-level engagement information that is in line with the Plan's reporting period. A manager that cannot provide fund specific information in a timely manner will be assessed as 'non-compliant' to incentivise them to improve their reporting. Minerva has given notice of this to all 'non-compliant' managers.

Ifor Williams Trailers Limited Retirement Benefits Plan

Spence & Partners Limited

Implementation Statement (IS):

Voting & Engagement Information (VEI) Report

Scheme Reporting Period:

1st April 2024 to 31st March 2025

11th July 2025

Contents

1	SIP Disclosures	3
2	Sourcing of Voting and Engagement Information	7
3	Voting and Engagement	9
4	Exercise of Voting Rights	11
5	Manager Voting Policy	14
6	Manager Voting Behaviour	16
7	Significant Votes	18
8	Manager Engagement Information	25
9	Conclusion	35

1 SIP Disclosures

This section sets out the policies in the Statement of Investment Principles ('SIP') in force at the Scheme year-end relating to the following:

1. Financially Material Considerations
2. Non-Financial Considerations
3. Investment Manager Arrangements

Stewardship - including the exercise of voting rights and engagement activities - is set out in the 'Voting and Engagement' section.

Source of Information:

*Ifor Williams Trailers Limited Retirement Benefits Plan
Statement of Investment Principles
June 2024*



1.1 Financially Material Considerations

The Trustees have considered financially material factors such as environmental, social and governance ('ESG') issues as part of the investment process to determine a strategic asset allocation over the length of time during which the benefits are provided by the Scheme for members. Such matters are assessed for materiality and impact within a broader risk-management framework, which take account of the Trustees' funding timeframe and views on the sponsor's covenant.

In endeavouring to invest in the best financial interests of the beneficiaries, the Trustees have elected to invest through pooled funds. The Trustees acknowledge that they cannot directly influence the environmental, social and governance policies and practices of the companies in which the pooled funds invest. However, the Trustees do expect their fund managers and investment adviser to take account of financially material considerations when carrying out their respective roles.

The Trustees accept that the Scheme's assets are subject to the investment manager's own policy on socially responsible investment. The Trustees will assess that this corresponds with their responsibilities to the beneficiaries of the Scheme with the help of their investment adviser.

An assessment of the ESG and responsible investment policies forms part of the manager selection process when appointing new managers and these policies are also reviewed regularly for existing managers with the help of the investment adviser. The Trustees will only invest with investment managers that are signatories for the United Nations Principles of Responsible Investment ('UN PRI') or other similarly recognised standards.

The Trustees will monitor financially material considerations through the following means:

- Obtain training where necessary on ESG considerations in order to understand fully how ESG factors including climate change could impact the Scheme and their investments;
- Use ESG ratings information provided by their investment adviser, to assess how the Scheme's investment managers take account of ESG issues; and
- Request that all of the Scheme's investment managers provide information about their ESG policies, and details of how they integrate ESG into their investment processes, via their investment adviser.

If the Trustees determine that financially material considerations have not been factored into the investment managers' process, they will take this into account on whether to select or retain an investment.

1.2 Non-Financial Considerations

The Trustees have not considered non-financial matters in the in the selection, retention and realisation of investments.

1.3 Investment Manager Arrangements

Incentives to align investment managers' investment strategies and decisions with the Trustees' policies

The Scheme invests in pooled funds and so the Trustees acknowledge the funds' investment strategies and decisions cannot be tailored to the Trustees' policies. However, the Trustees set their investment strategy and then select managers that best suits their strategy taking into account the fees being charged, which acts as the fund manager's incentive.

The Trustees use the fund objective/benchmark as a guide on whether their investment strategy is being followed and monitors this regularly.

Incentives for the investment managers to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term

The Trustees select managers based on a variety of factors including investment philosophy and process, which they believe should include assessing the long term financial and non-financial performance of the underlying company that they invest in.

The Trustees also consider the managers' voting and ESG policies and how they engage with the investee company as they believe that these factors can improve the medium to long-term performance of the investee companies.

The Trustees will monitor the managers' engagement and voting activity on an annual basis as they believe this can improve long term performance. The Trustees expect their managers to make every effort to engage with investee companies but acknowledge that their influence may be more limited in some asset classes, such as bonds, as they do not have voting rights.

The Trustees acknowledge that in the short term, these policies may not improve the returns they achieve, but do expect that investing in those companies with better financial and non-financial performance over the long term will lead to better returns for the Scheme. The Trustees believe that the annual fee paid to the fund managers incentivises them to do this.

If the Trustees feel that the fund managers are not assessing financial and non-financial performance or adequately engaging with the companies they are investing in, they will use these factors in deciding whether to retain or terminate a manager.

How the method (and time horizon) of the evaluation of the investment managers' performance and the remuneration for asset management services are in line with the Trustees' policies

The Trustees review the performance of each fund quarterly on a net of fees basis compared to its objective.

The Trustees assess the performance of the funds, where possible, over at least a 3-5 year period when looking to select or terminate a manager, unless there are reasons other than performance that need to be considered.

The fund managers' remuneration is considered as part of the manager selection process and is also monitored regularly with the help of their investment adviser to ensure it is in line with the Trustees' policies.

How the Trustees monitor portfolio turnover costs incurred by the investment managers, and how they define and monitor targeted portfolio turnover or turnover range

The Trustees monitor the portfolio turnover costs on an annual basis.

The Trustees define target portfolio turnover as the average turnover of the portfolio expected in the type of strategy the manager has been appointed to manage. This is monitored on an annual basis.

The Trustees have delegated the responsibility of monitoring portfolio turnover costs and target portfolio turnover to their investment adviser and this is reported to the Trustees so they too can monitor this.

The duration of the arrangement with the investment managers

The Trustees plan to hold each of their investments for the long term but will keep this under review.

Changes in investment strategy or changes in the view of the fund managers can lead to the duration of the arrangement being shorter than expected.

2 Sourcing of Voting and Engagement Information

This section sets out the availability of the information Minerva initially requested from the Scheme's managers, to facilitate the preparation of this report:

Table 2.1: Summary of Available Information

Fund Manager	Investment Fund/Product	Voting Information	Significant Votes	Engagement Information
BlackRock	Corporate Bond Up To 5 Years Index Fund	No Info to Report	No Info to Report	Part Info Available
BNY Mellon	Newton Global Dynamic Bond Fund	No Info to Report	No Info to Report	Part Info Available
	Dynamic Diversified Fund	Part Info Available	Full Info Available	Part Info Available
LGIM*	LDI Matching Core Fund (4 funds)	No Info to Report	No Info to Report	No Info to Report
	Over 5 Year Index-Linked Gilts Index Fund	No Info to Report	No Info to Report	No Info to Report
M&G	Total Return Credit Investment Fund	No Info to Report	No Info to Report	Full Info Available
Vontobel	TwentyFour Strategic Income Fund	No Info to Report	No Info to Report	No Info to Report

* LGIM have requested that a Disclaimer be shared, which should be read in relation to any stewardship information provided by them. It can be found at the end of this report.

Table Key

Full Info Available	The manager has provided either a PLSA Voting Template or voting data that precisely matches the specific investment's holding / reporting period
Part Info Available	The manager has provided either a PLSA Voting Template or voting data that partially matches the specific investment's holding / reporting period
No Info to Report	The manager has explicitly stated that there is no voting or engagement information to report for this specific investment or that it is not expected there will be any voting or engagement information to report due to the nature of the underlying investments
No Info Provided	At the time of preparing this report, the manager has either not formally responded to the information request or has not provided information when we believe there should be information to report



Minerva Says:

Voting Activity

There was voting information disclosed for the Scheme's investments in the following funds:

- LGIM Dynamic Diversified Fund

Significant Votes

There was 'Significant Vote' information disclosed for the Scheme's investments in the following funds:

- LGIM Dynamic Diversified Fund

Engagement Activity

There was reportable engagement information provided for the Scheme's investments with the following managers:

- BlackRock Corporate Bond Up To 5 Years Index Fund
- BNY Mellon Newton Global Dynamic Bond Fund
- LGIM Dynamic Diversified Fund
- M&G Total Return Credit Investment Fund

3 Voting and Engagement

The Trustees are required to disclose the voting and engagement activity over the Scheme year. The Trustees have used Minerva Analytics ('Minerva') to obtain voting and investment engagement information (VEI) on the Scheme's behalf.

This statement provides a summary of the key information and summarizes Minerva's findings on behalf of the Scheme over the Scheme's reporting year.

The voting and engagement activity undertaken by the Scheme's managers, as reported by them and set out in this document, has been in the scheme members' best interests inasmuch that it demonstrates that the Scheme's managers have undertaken stewardship activity they deem to be appropriate and proportionate in the oversight and management of the Scheme's investments.

3.1 Voting and Engagement Policy and Funds

The Trustees' policy on Stewardship from the Scheme's SIP is set out below:

The Trustees' policy on the exercise of rights attaching to investments, including voting rights, is that these rights should be exercised by the investment manager on the Trustees' behalf, having regard to the best financial interests of the beneficiaries.

The investment manager should engage with companies to take account of ESG factors in the exercise of such rights as the Trustees believe this will be beneficial to the financial interests of members over the long term. The Trustees will review the investment managers' voting policies, with the help of their investment adviser, and decide if they are appropriate.

The Trustees also expect the fund manager to engage with investee companies or other relevant persons on performance, strategy, capital structure, management of actual or potential conflicts of interest, risks, ESG issues concerning the Trustees' investments.

If the policies or level of engagement are not appropriate, the Trustees will engage with the investment manager, with the help of their investment adviser, to influence the investment manager's policy. If this fails, the Trustees will review the investments made with the investment manager.

The Trustees have taken into consideration the Financial Reporting Council's UK Stewardship Code and expect investment managers to adhere to this where appropriate for the investments that they manage.

The following table sets out:

- The funds and products in which the Scheme was invested during the Scheme's reporting period;
- The holding period for each fund or product; and
- Whether each investment manager made use of a 'proxy voter', as defined by the Regulations

Table 3.1: Scheme Investment/Product Information

Fund Manager	Investment Fund/Product	Investment Made Via	Fund / Product Type	Period Start Date	Period End Date	'Proxy Voter' Used?
BlackRock	Corporate Bond Up To 5 Years Index Fund	Mobius Platform	DB Fund	01/04/24	31/03/25	N/A
BNY Mellon	Newton Global Dynamic Bond Fund	Mobius Platform	DB Fund	01/04/24	18/06/24	N/A
	Dynamic Diversified Fund	Mobius Platform	DB Fund	01/04/24	18/06/24	ISS
LGIM	LDI Matching Core Fund (4 funds)	Mobius Platform	DB Fund	01/04/24	31/03/25*	N/A
	Over 5 Year Index-Linked Gilts Index Fund	Mobius Platform	DB Fund	31/05/24	31/03/25	N/A
M&G	Total Return Credit Investment Fund	Mobius Platform	DB Fund	03/06/24	31/03/25	N/A
Vontobel	TwentyFour Strategic Income Fund	Mobius Platform	DB Fund	01/04/24	18/06/24	N/A

*Among the four Matching Core LDI Funds, three of them — identified as FABP, FABR, and FABT — have an investment period from 01/04/2024 to 31/03/2025, whereas one Matching Core LDI Fund, identified as FABS, has an investment period from 01/04/2024 to 03/06/2024.

Minerva Says

As shown in the table above:

- LGIM identified Institutional Shareholder Services, or 'ISS' as their 'Proxy Voter'
- The investments shown as 'N/A' had no listed equity voting activity associated with them, and so had no need for a proxy voter

4 Exercise of Voting Rights

The following tables show a comparison of each of the Scheme's relevant manager(s) voting activity versus the Trustees' policy (which in this instance is the manager's own policy).

Table 4.1: BNY Mellon's Approach to Voting

Asset manager	BNY Mellon (Newton)
Relevant Scheme Investment(s)	Global Dynamic Bond Fund
Key Points of Manager's Voting Policy	Newton have confirmed to us that they do not have a formal bond voting policy as such. Typically, bonds do not have the same kind of voting rights associated with them as listed equities. Any votes cast tend to be in relation to corporate actions that require a case-by-case approach to determine the votes to cast.
Is Voting Activity in Line with the Scheme's Policy?	Yes By voting in the specific manner that they have in relation to corporate actions on investments, we believe that the manager is doing so in the best financial interests of the Scheme beneficiaries.

Table 4.2: LGIM's Approach to Voting

Asset manager	LGIM (Legal & General Investment Management)
Relevant Scheme Investment(s)	Dynamic Diversified Fund

Key Points of Manager's Voting Policy

LGIM's latest '[Global corporate governance and responsible investment policy](#)' sets out what the manager considers to be corporate governance best practice. It explains their expectations with respect to topics they believe are essential for an efficient governance framework, and for building a sustainable business model. LGIM have this to say in terms of their overall approach:

When developing our policies, we consider broader global guidelines and principles such as those provided by the United Nations Global Compact, OECD and ILO conventions and recommendations as well as local market regulatory expectations. The extent to which we apply these policies allows some leeway for those markets that are still developing their governance policies. Although there is no 'one-size-fits-all' solution to building a sustainable business model, we look for the companies in which we invest to demonstrate that sustainability is effectively integrated into their long-term strategy and daily operations. Companies should aim to minimise any negative impact their businesses have on the environment, while innovating to find better solutions. Their strategies should include ways to make a positive impact on society, embrace the value of their workforce and supply chains, while delivering positive long-term returns to shareholders.

LGIM's voting policy is built on the assessment of 5 key policy areas:

#	Policy Area	Example of Topics Covered
1	Company Board	Board Leadership, Board Independence, Board Diversity, Board Committees, Succession Planning, Board Effectiveness, Stakeholder Engagement
2	Audit, Risk & Internal Control	External and Internal Audit, Whistleblowing, Cybersecurity and Climate Risks
3	Remuneration	Remuneration Committee, Remuneration Transparency, Fixed Remuneration, Variable Pay, Service Contracts and Termination Payments
4	Shareholder & Bondholder Rights	Voting Rights and Share-Class Structures, Amendments to Articles, Capital Management, Mergers and Acquisitions, Shareholder Proposals and Political Donations
5	Sustainability	Material ESG Risks & Opportunities, Governance and Accountability, Sustainability Themes, Reporting and Disclosure

Is Voting Activity in Line with
the Scheme's Policy?

Yes

Some examples of the manager's voting activity are provided in Section 7 – Significant Votes



Minerva Says

- BNY Mellon (Newton) have confirmed that they do not have a formal bond voting policy.
- LGIM have set out how they approach their stewardship responsibilities for listed companies on behalf of their clients.
- From the information available, we believe that the voting approaches are consistent with the Scheme's voting approach expectations of its investment managers.

5 Manager Voting Policy

As the current approach of the Scheme is to use the voting policy of the external asset managers, it is important that these policies are independently reviewed to ensure that they match current good practice and the general stewardship expectations set by the Scheme. Well-managed companies that operate in a commercially, socially and environmentally responsible manner are expected to perform better over the longer term, as the Scheme believe that adopting such an approach will allow each company's management to identify, address and monitor the widest range of risks associated with their specific business.

Set out in the following table is Minerva's independent assessment of the Scheme's managers' publicly available voting policies, in the context of current good practice as represented by the ICGN Voting Guidelines, whilst also bearing the Scheme's stewardship expectations in mind. This has been done for each manager where they have identified voting activity on behalf of the Scheme.

We have assessed each manager's policy individually, looking at it from Minerva's perspective of seven 'Voting Policy Pillars' that are at the core of our proxy voting research process, and which we have developed over the last 25 years. In using this well-tried approach, the Scheme can be sure that their investment managers voting policies are being carefully considered against current good practice.

Table 5.1: Voting Policy Alignment

Manager Voting Policy Alignment with Current Good Practice

Investment Manager	Audit & Reporting	Board	Capital	Corporate Actions	Remuneration	Shareholder Rights	Sustainability
BNY Mellon (Newton)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Comments	Newton have confirmed that they do not have a formal bond voting policy. Typically, bonds do not have the same kind of voting rights associated with them as listed equities. Any votes cast tend to be in relation to corporate actions that require a case-by-case approach to determine the votes to cast.						
LGIM	Aligned	Aligned	Aligned	Aligned	Aligned	Limited Disclosures	Aligned
Comments	Shareholder Rights: LGIM has disclosed limited information publicly on its approach regarding anti-takeover provisions. The public policy also lacks details around the rights of shareholders to hold special meetings, and proxy access.						

Table Key

Aligned

This aspect of the manager's voting policy is aligned with good practice

Limited Disclosures

This policy pillar could only be partially assessed on the information available in the manager's voting policy

No Disclosures

This policy pillar could not be assessed due to a lack of information in the manager's voting policy

Not Available

The manager's voting policy was not disclosed for analysis by Minerva



Minerva Says

For the Scheme's managers that responded to our information requests by providing voting information:

- BNY Mellon (Newton) confirmed that they do not have a formal voting policy for bond investments.
- LGIM's public voting policy is, in our view, broadly in line with good practice, and is what we would expect to see from such a large asset steward.

6 Manager Voting Behaviour

The Trustees believe that responsible oversight of investee companies is a fundamental duty of good stewardship. As such, it expects the Scheme's managers to vote at the majority of investee company meetings every year, and to provide sufficient information as to allow for the independent assessment of their voting activity.

The table below sets out the voting behaviour as disclosed by the each of the Scheme's managers:

Table 6.1: Manager Voting Behaviour

Manager	Fund	No. of Meetings	No. of Resolutions				
		Eligible for Voting	Eligible for Voting	% Eligible Voted	% Voted in Favour	% of Voted Against	% Abstain
LGIM	Dynamic Diversified Fund	10,106	102,057	99.8%	76.7%	22.5%	0.8%
	Comments						
	<p>The manager provided summarised voting records for the Dynamic Diversified Fund that covered period from 01/04/2024 – 31/03/2025 rather than Scheme's investment holding period.</p> <p>From the summarised information provided, we can see that the manager has voted at almost all investee company meetings for the Fund, which is in line with the Trustees' expectations of their managers.</p>						

Table Key

Available Information matches the Scheme's specific reporting period / investment holding period

Available Information is for a different period than the Scheme's reporting period / investment holding period

Information was not provided by the manager

Not Applicable



Minerva Says

For the Scheme's managers that responded to our information requests by providing voting information, we believe that they have followed the Scheme's requirements in relation to voting activity, as stated in the Scheme's SIP:

The Trustees' policy on the exercise of rights attaching to investments, including voting rights, is that these rights should be exercised by the investment manager on the Trustees' behalf, having regard to the best financial interests of the beneficiaries.

7 Significant Votes

Set out in the following section are 5 examples of the Scheme's manager(s) voting behaviour from the relevant fund(s) in which the Scheme was invested. A 'Significant Vote' relates to any resolution at a company that meets one of the following criteria:

1. Identified by the manager themselves as being of significance;
2. Contradicts local market best practice (e.g., the UK Corporate Governance Code in the UK);
3. Is one proposed by shareholders that attracts at least 20% support from investors;
4. Attracts over 10% dissenting votes from shareholders.

Where the manager has not provided sufficient data to identify 'Significant Votes' based on criteria 2-4 above, we have used manager-identified examples:

Table 7.1 LGIM's 'Significant Votes'

Manager	Fund	Company Name	Date of Vote	Approx Size of Holding (as % of Fund)	Summary of Resolution	Voting Action	Outcome of Vote
LGIM	Dynamic Diversified Fund	Meta Platforms, Inc.	29/05/24	0.20%	Resolution 1.1: Elect Director Peggy Alford	Against	N/A
Why a 'Significant Vote?							
Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.							
Manager's Vote Rationale:							

Diversity: A vote against is applied as LGIM expects a company to have at least one-third women on the board. Lead Independent Director: A vote against is applied as LGIM expects companies to elect an independent lead director where there is a combined Board Chair and CEO. Remuneration: A vote against has been applied as LGIM expects companies to obtain annual shareholder approval of executive directors pay and non-executive directors fees. Remuneration: A vote against is applied because LGIM does not support the use of corporate jets for private use. Remuneration - Malus & Clawback: A vote against is applied as LGIM expects all incentives to be subject to clawback if the vested award is later deemed to be unjustified.

Remuneration - Shareholding Guidelines: A vote against is applied as the company does not have a shareholding guideline in place for executives. LGIM believes a shareholding requirement is a good way to align with long term shareholder interests because executives are expected to maintain a proportion of earned shares at risk over the medium term.

Remuneration - Performance conditions: A vote against is applied as LGIM expects a sufficient portion of share incentive awards to be assessed against long term performance conditions to ensure alignment of remuneration with company performance. Remuneration - Performance period: A vote against is applied as LGIM expects performance to be measured over a three year period. A WITHHOLD vote is further warranted for Peggy Alford in her capacity as chair of the compensation, nominating, & governance committee due to consecutive years

Were Votes Against Company Management Communicated to the Company Ahead of the Meeting?

LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.

Next Steps / Implications of the Outcome:

LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.

Relevance to Manager's Stated Policy:

Company Board	Audit, Risk & Internal Control	Remuneration	Shareholder & Bondholder Rights	Sustainability
---------------	--------------------------------	--------------	---------------------------------	----------------

We believe this voting activity is consistent with the manager's stated Policy, and so is also consistent with the Scheme's approach

Manager	Fund	Company Name	Date of Vote	Approx Size of Holding (as % of Fund)	Summary of Resolution	Voting Action	Outcome of Vote
LGIM	Dynamic Diversified Fund	Clearway Energy, Inc.	25/04/24	0.02%	Resolution 1.1: Elect Director Jonathan Bram	Against	N/A
Why a 'Significant Vote?							
Thematic - Climate: LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, our flagship engagement programme targeting companies in climate-critical sectors. More information on LGIM's Climate Impact Pledge can be found here: https://www.lgim.com/uk/en/responsible-investing/climate-impact-pledge/ . Thematic - One Share One Vote: LGIM considers this vote to be significant as LGIM supports the principle of one share one vote.							
Manager's Vote Rationale:							
Climate Impact Pledge: A vote against is applied as the company is deemed to not meet minimum standards with regard to climate risk management. Shareholder rights: A vote against is applied because LGIM supports the equitable structure of one-share-one-vote. We expect companies to move to a one-share-one-vote structure or provide shareholders a regular vote on the continuation of an unequal capital structure. Independence - Board balance: A vote against is applied because the board does not comprise of a majority of independent directors. Remuneration Committee - Independence: WITHHOLD votes are further warranted for Jonathan Bram for serving as a non-independent member of a key board committee.							
Were Votes Against Company Management Communicated to the Company Ahead of the Meeting?							
LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.							
Next Steps / Implications of the Outcome:							
LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.							
Relevance to Manager's Stated Policy:							
Company Board		Audit, Risk & Internal Control		Remuneration		Shareholder & Bondholder Rights	
						Sustainability	
We believe this voting activity is consistent with the manager's stated Policy, and so is also consistent with the Scheme's approach							

Manager	Fund	Company Name	Date of Vote	Approx Size of Holding (as % of Fund)	Summary of Resolution	Voting Action	Outcome of Vote		
LGIM	Dynamic Diversified Fund	Prologis, Inc.	09/05/24	0.28%	Resolution 1a: Elect Director Hamid R. Moghadam	Against	Not stated		
Why a 'Significant Vote?									
Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.									
Manager's Vote Rationale:									
Joint Chair/CEO: A vote against is applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.									
Were Votes Against Company Management Communicated to the Company Ahead of the Meeting?									
LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.									
Next Steps / Implications of the Outcome:									
N/A									
Relevance to Manager's Stated Policy:									
Company Board		Audit, Risk & Internal Control		Remuneration		Shareholder & Bondholder Rights		Sustainability	
We believe this voting activity is consistent with the manager's stated Policy, and so is also consistent with the Scheme's approach									

Manager	Fund	Company Name	Date of Vote	Approx Size of Holding (as % of Fund)	Summary of Resolution	Voting Action	Outcome of Vote
LGIM	Dynamic Diversified Fund	The Goldman Sachs Group, Inc.	24/04/24	0.02%	Resolution 8: Report on Clean Energy Supply Financing Ratio	For	The shareholder resolution failed
Why a ‘Significant Vote?							
Pre-declaration and High-Profile Meeting: This shareholder resolution is considered significant as LGIM believes that banks and financial institutions have a significant role to play in shifting financing away from ‘brown’ to funding the transition to ‘green’. LGIM expects companies to be undertaking appropriate analysis and reporting on climate change matters, as we consider this issue to be a material risk to companies.							
Manager’s Vote Rationale:							
Shareholder Resolution - Climate change: A vote in favour of this proposal is applied. We believe that banks and financial institutions have a significant role to play in shifting financing away from brown to funding the transition to green. LGIM expects the company to be undertaking appropriate analysis and reporting on climate change matters, as we consider this issue to be a material risk to companies.							
Were Votes Against Company Management Communicated to the Company Ahead of the Meeting?							
LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.							
Next Steps / Implications of the Outcome:							
LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.							
Relevance to Manager’s Stated Policy:							
Company Board		Audit, Risk & Internal Control		Remuneration	Shareholder & Bondholder Rights	Sustainability	
We believe this voting activity is consistent with the manager’s stated Policy, and so is also consistent with the Scheme's approach							

Manager	Fund	Company Name	Date of Vote	Approx Size of Holding (as % of Fund)	Summary of Resolution	Voting Action	Outcome of Vote
LGIM	Dynamic Diversified Fund	Nestle SA	18/04/24	0.18%	Resolution 7: Report on Non-Financial Matters Regarding Sales of Healthier and Less Healthy Foods	For	N/A
Why a 'Significant Vote?							
Pre-declaration and High-Profile Meeting: This shareholder resolution is considered significant due to nutrition being an important topic for investors because it has a significant impact on the health and well-being of individuals, communities and societies. The interconnected challenges of obesity, undernutrition and micronutrient deficiencies is estimated to be 5% of global income, or \$3.5 trillion, per annum. Nutrition is therefore one of our global stewardship sub-themes, under the umbrella of Health.							
Manager's Vote Rationale:							
Shareholder proposal Health Nutrition: A vote FOR is applied. LGIM is one of the co-filers of this resolution. We call for more effective targets to increase the availability of healthier food choices for consumers. There is a clear link between poor diets and chronic health conditions such as obesity, heart disease and diabetes. These in turn may lead to increased healthcare costs and decreased productivity, both of which we believe will have negative impacts on the economy. As the largest food company in the world we believe Nestle sets an example for the rest of the industry in terms of driving positive change and raising market standards.							
Were Votes Against Company Management Communicated to the Company Ahead of the Meeting?							
LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.							
Next Steps / Implications of the Outcome:							
LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.							
Relevance to Manager's Stated Policy:							
Company Board		Audit, Risk & Internal Control		Remuneration	Shareholder & Bondholder Rights	Sustainability	
We believe this voting activity is consistent with the manager's stated Policy, and so is also consistent with the Scheme's approach							



Minerva Says

LGIM's reported 'Significant Vote' information seems to be consistent with their stated voting policies, and so is consistent with the Scheme's expectations.

8 Manager Engagement Information

The Trustees have set the following expectation in the Scheme's SIP in relation to its managers' engagement activity:

The investment manager should engage with companies to take account of ESG factors in the exercise of such rights as the Trustees believe this will be beneficial to the financial interests of members over the long term. The Trustees will review the investment managers' voting policies, with the help of their investment adviser, and decide if they are appropriate.

The Trustees also expect the fund manager to engage with investee companies or other relevant persons on performance, strategy, capital structure, management of actual or potential conflicts of interest, risks, ESG issues concerning the Trustees' investments.

If the policies or level of engagement are not appropriate, the Trustees will engage with the investment manager, with the help of their investment adviser, to influence the investment manager's policy. If this fails, the Trustees will review the investments made with the investment manager.

The Trustees believe that an important part of responsible oversight is for the Scheme's investment managers to engage with the senior management of investee companies on any perceived risks or shortcomings – both financial and non-financial – relating to the operation of the business, with a specific focus on ESG factors. As such, they expect the Scheme's managers to engage with investee companies where they have identified any such issues.

The following table(s) summarises the engagement activity of the manager(s):

Table 8.1: Summary of Engagement Information Provided

Manager	Engagement Information Obtained	Level of Available information	Info Covers Scheme's Reporting Period?	Comments
BlackRock	YES	FUND	YES	The manager provided basic fund level engagement information covering the Scheme's reporting period
BNY Mellon (Newton)	YES	FUND	PART	The manager provided basic fund level engagement information covering the period from 01/04/24 to 31/03/25 rather than the Scheme's reporting period
LGIM	YES	FUND	YES	The manager provided basic fund level engagement information covering the Scheme's reporting period
M&G	YES	FUND	YES	The manager provided detailed fund level engagement information covering the Scheme's reporting period

Table Key

GREEN = A positive result. The manager has provided engagement information / fund level info available / matches the Scheme's reporting / investment holding period

ORANGE = A 'partial' result. We had to try to source engagement information / firm level info available / does not match the Scheme's reporting / investment holding period

RED = A negative result. No engagement information was located at any level

BlackRock

				Breakdown of Engagement Topics Covered				Outcomes	
Fund(s)	Period Start	Period End	No. of Engagements	Environmental	Social	Governance	Other	Resolved	Open
Corporate Bond Up To 5 Years Index Fund	01/04/24	31/03/25	196	24.5%	20.9%	54.6%	0.0%	Not Stated	Not Stated
Aspect of Engagement Activity	Details								
Key Points of the Manager's Engagement Policy	BlackRock explains their approach to engagement in their 'Investment Stewardship, Engagement Priorities Summary' document:								
	<p><i>'BIS takes a constructive, long-term approach to our engagement with companies, reflecting the investment horizons of the majority of our clients. An engagement is a meeting between BIS and a company's board and management that helps improve our understanding of the company's business model and material risks and opportunities, to inform our voting decisions on behalf of clients who authorize us to vote on their behalf. In these two-way conversations, we listen to and learn directly from company directors and executives and ask questions relevant to their business. Either a company or BIS can request an engagement. Many of the engagements are initiated by companies to discuss their long-term strategy, risk and opportunity set, and management's plan to deliver financial returns through business cycles. The ongoing, multiyear nature of our engagements allows us to build strong relationships with company leadership and mutual understanding on key matters of corporate governance and the drivers of long-term financial performance.'</i></p>								
	<p><i>BIS' Engagement Priorities reflect the five themes on which we most frequently engage companies, where they are relevant and a source of material business risk or opportunity. As such, how these themes are managed may have an impact on companies' ability to deliver the long-term financial returns on which our clients depend to meet their investing goals. The majority of BIS' engagements are focused on corporate governance because, in our experience, sound governance is critical to the success of a company, long-term financial value creation, and the protection of investors' financial interests.'</i></p>								
	<p>BlackRock's Engagement Priorities:</p> <p>1. Board quality and effectiveness - quality leadership, board composition, effectiveness, diversity and accountability</p>								

2. Strategy, purpose, and financial resilience - *'We engage on long-term corporate strategy, purpose, and financial resilience to understand how boards and management are aligning their business decision-making with the company's purpose and adjusting strategy and/or capital allocation plans as necessary as business dynamics change.'*

3. Incentives aligned with financial value creation - *'Executive compensation is an important tool used by companies to support long-term financial value creation. In our experience, well-structured compensation policies reward the successful delivery of strategic, operational, and/or financial goals, encourage an appropriate risk appetite, and align the interests of shareholders and executives through equity ownership. For these reasons, appropriate and transparent compensation policies are a focus in many of BIS' engagements with companies our clients are invested in. To aid our understanding, we find it helpful when companies make clear in their disclosures the connection between compensation policies and outcomes and the financial interests of long-term shareholders.'*

4. Climate and natural capital - *'BIS' approach under our benchmark policies to material climate-related risks and the opportunities presented by the low-carbon transition is based on our fundamental role as a fiduciary to our clients. The low-carbon transition may present different challenges and potential rates of change for companies across sectors. With this in mind, when discussing climate- and transition-related risks with companies, we generally focus our conversations where the transition is most likely to materially impact a company's long-term financial performance.'*
'The management of nature-related risks and opportunities is a component of the ability to generate long-term financial returns for companies whose strategies or supply chains are materially reliant on natural capital. For these companies, we rely on disclosures to assess the board's risk oversight and to understand how nature-related impacts and dependencies are considered within their strategies. While natural capital is a broad term, we focus on three key components – land use and deforestation, water, and biodiversity – which can affect the long-term financial returns of companies with material exposure. Based on our assessment, companies with material nature-related risks and opportunities stand to benefit from the robust management of these components, which may lead to operational efficiency, management capabilities, and innovation.'

5. Company impacts on people - *'In our engagements, BIS focuses on understanding the effectiveness of boards and management in ensuring a company has the workforce necessary for delivering long-term financial performance. Our discussions cover material workforce-related risks and opportunities, which may include how a company's business practices foster a workforce culture inclusive of a variety of perspectives; enhance job quality and employee engagement; enable career development; promote positive labor relations, safe working conditions, and fair wages; and consider human rights. BIS finds it helpful when companies provide shareholders with the necessary information to understand their approach to human capital management (HCM) and how it aligns with the company's stated strategy and business model.'*
'BIS engages with companies on how they manage the human rights issues that are material to their businesses and monitor the effectiveness of their human rights practices on a best-efforts basis. We are focused on the governance of this business risk, where appropriate.'

**Additional
information on
Engagements
provided by the
Manager**

Whilst the manager provided a list of engagements undertaken on investments in the fund during the Scheme's holding period, no additional information was provided in terms of:

- engagement objectives
- collaborative engagements
- process for escalating ineffective engagement and
- whether any fintech solution was used to facilitate engagement

Comparison of the Manager's Engagement Activity vs the Trustees' policy	<p>An example of a reported engagement for the Corporate Bond Up To 5 Years Index Fund is shown below:</p> <p><u>04/02/2025 - BANCO BILBAO VIZCAYA ARGENTARIA SA - Engagement on Environmental, Social and Governance Issues</u></p> <p><u>Engagement Method:</u> <i>In Person</i></p> <p><u>Engagement Details:</u></p> <p><i>Environmental = Climate Risk Management</i> <i>Governance = Business Oversight & Risk Management/ Corporate Strategy (Disclosure/Governance)/ Governance Structure/ Sustainability Reporting</i> <i>Social = Community Relations/ Other Social/Human Capital Issues</i></p> <p><u>Engagement Outcome:</u> Not stated.</p>
	<p>Is Engagement Activity in Line with the Trustees' Policy?</p> <p>Whilst we believe that the Manager's engagement approach is consistent with the Scheme's approach, we believe that the Manager should be able to provide more information relating to engagements undertaken at fund level.</p>

BNY Mellon (Newton)

				Breakdown of Engagement Topics Covered				Outcomes	
Fund(s)	Period Start	Period End	No. of Engagements	Environmental	Social	Governance	Other	Resolved	Open
Global Dynamic Bond Fund	01/04/24	31/03/25	5	75.0%	12.5%	12.5%	0.0%	0.0%	100%

Aspect of Engagement Activity	Details
Key Points of the Manager's Engagement Policy	<p>Newton's 'Stewardship and sustainability policy' from April 2025 has the following to say with regards the engagement approach:</p> <p><i>'In seeking to be an active steward, Newton is committed to the responsible allocation, management and oversight of capital to create long-term economic value for our clients (...) We emphasise purposeful dialogue with issuers to constructively challenge boards and management on financially material aspects of their decision-making where we believe it can result in improved long-term financial outcomes for our clients. We set clear and outcome-focused objectives which can be evaluated over a suitable time horizon and can be linked back to a relevant investment thesis.</i></p> <p><i>"Our core approach to investing is about engagement rather than exclusion, and about trying to mitigate risks that have the potential to cause material financial impact to our clients' best long-term economic interests. We prefer to engage with companies and support them to develop and enhance their practices or business models where appropriate, rather than using divestment or denial of capital as the only option."</i></p>

	<p><i>In their Stewardship and sustainability policy, the manager identified the following key engagement themes:</i></p> <ul style="list-style-type: none"> • Environmental: Climate / Nature and biodiversity / Pollution / Product life cycle / Water • Social: Human rights / Human capital management / Tax • Governance: Board leadership / Capital management / Anti-takeover mechanisms / Related-party transactions / Reporting and audit / Executive pay / Transparency, accountability and shareholder rights
Additional information on Engagements provided by the Manager	<p>Whilst the manager provided a list of engagements undertaken on investments in the fund during the Scheme's holding period, no additional information was provided in terms of:</p> <ul style="list-style-type: none"> ▪ engagement objectives ▪ collaborative engagements ▪ process for escalating ineffective engagement and ▪ whether any fintech solution was used to facilitate engagement
Comparison of the Manager's Engagement Activity vs the Scheme's Expectations	<p>An example of a reported engagement for the Global Dynamic Bond Fund is:</p> <p><u>Kraft Heinz Co. – Engagement on Social - Public health Issues</u></p> <p>ESG factor: 'Climate transition risk and net zero strategy.'</p> <p>Engagement Goal: 'As one of the world's largest food manufacturers, Kraft Heinz has a key role to play with regards to opportunities with respect to increased exposure to plant-based food products within its portfolio and how it considers the risks associated with conventional animal agriculture/ proteins which contributes significantly to climate change, biodiversity loss and public health challenges.'</p> <p>Engagement Activity:</p> <ul style="list-style-type: none"> • Kraft considers protein diversification a key opportunity for portfolio growth and contribution to their SBTi FLAG targets, with the company currently assessing the level of ambition they will set as part of their 2030 pathways. A spectrum of formulation options are under investigation to offer lower carbon alternatives, with Kraft especially building on successes at the ingredient level and in food service. • Kraft is exploring strategies to decarbonize their key commodities through climate risk modelling assessments, collective learning through coalitions like the Dairy Methane Action Alliance and product innovation. • The company conducts direct policy engagement on sustainable and resilient food systems and engages in markets outside of the US through trade association membership, which they are considering stronger public disclosure on. • The company revealed that KPIs linked to sustainability progress are included in relevant executive team members' pay incentives and cascade throughout the organisation. • The company are not yet ready to make a commitment on just transition as they collect more industry data, but aim to reward innovative farmers and scale up good practices.

	<ul style="list-style-type: none"> • Kraft has a successful growth strategy targeting the cheaper end of the market, so sustainability and affordability are always parallel considerations in their plant-based product portfolio for broader consumer accessibility. • Taste is the main barrier to consumer uptake of plant-based products, but AI technology and an agile business model help optimize formulations for repeat purchase. Whilst taste is the leading marketing strategy, the company does include key nutritional information on pack for consumers looking for these functional benefits. • Many of the company's plant-based products are nutritious, but they continue to improve in this area through innovation and reformulation, setting a commitment for 85% of all products to meet their Global Nutrition targets by 2025. ' <p>Engagement Outcome: 'The engagement with Kraft Heinz has been productive. The company has demonstrated a clear understanding of the importance of protein diversification as a strategic opportunity for portfolio growth and its contribution to their SBTI targets. Kraft has shown progress in their approach and has expressed receptiveness to continuing the dialogue.'</p> <p>Objective Status: 'Ongoing'</p> <p>Next Steps: 'Discuss next steps with the collaborative group and reassess our approach for continued monitoring and engagement.'</p>
Is Engagement Activity in Line with the Scheme's Expectations?	<p>Whilst we believe that the Manager's engagement approach is consistent with the Scheme's approach, we believe that the Manager should be able to provide information that aligns with the Scheme's investment holding period.</p>

LGIM

				Breakdown of Engagement Topics Covered				Outcomes	
Fund(s)	Period Start	Period End	No. of Engagements	Environmental	Social	Governance	Other	Resolved	Open
Dynamic Diversified Fund	01/04/24	18/06/24	2,513	89.9%	1.8%	5.9%	2.4%	Not Stated	Not Stated

Aspect of Engagement Activity	Details
Key Points of the Manager's Engagement Policy	<p>According to the latest Engagement Policy, LGIM's Investment Stewardship team focuses on client outcomes and broader societal and environmental impacts in its engagements with companies, taking the following six step approach:</p> <ol style="list-style-type: none"> 1. Identify the most material ESG issues 2. Formulate a strategy 3. Enhance the power of engagement (e.g., through public statements) 4. Collaborate with other stakeholders and policymakers 5. Vote 6. Report to shareholders

	<p>From LGIM's most recent Active Ownership Report 2024 the manager has identified the following as their top 6 engagement topics:</p> <ol style="list-style-type: none"> 1. Climate: Encouraging companies to tackle climate change and transition to a low-carbon economy 2. Nature: Four key sub-themes: natural capital management; deforestation; circular economy; and water, with a highlight on 'agriculture' 3. People: Priority topics: diversity and human capital management 4. Health: Safeguarding global health to limit negative consequences for the global economy (two key areas of health – antimicrobial resistance (AMR) and nutrition) 5. Governance: Strengthening accountability to deliver stakeholder value 6. Digitisation: Establishing minimum standards for how companies manage digitisation-related risks with a focus on the governance aspects of AI
Additional information on engagements provided by the Manager	<p>Whilst the manager provided a list of engagements undertaken on investments in the fund during the Scheme's holding period, no additional information was provided in terms of:</p> <ul style="list-style-type: none"> ▪ engagement objectives ▪ collaborative engagements ▪ process for escalating ineffective engagement and ▪ whether any fintech solution was used to facilitate engagement
Comparison of the Manager's Engagement Activity vs the Scheme's Expectations	<p>Set out below is an example of engagement activity reported by LGIM in the Dynamic Diversified Fund:</p> <p><u>17/04/24 - Ultra Clean Holdings Inc- Environmental-themed Engagement Activity</u></p> <p><i>Engagement Type: Written.</i></p> <p><i>Issue Theme: Climate Impact Pledge.</i></p> <p><i>Engagement Details: Not provided.</i></p> <p><i>Engagement Outcome: Not provided.</i></p>
Is Engagement Activity in Line with the Scheme's Expectations?	<p>Whilst we believe that the manager's engagement approach is consistent with the Scheme's approach, we believe that the manager should be able to provide more information relating to engagements undertaken at fund level.</p>

M&G

				Breakdown of Engagement Topics Covered				Outcomes	
Fund(s)	Period Start	Period End	No. of Engagements	Environmental	Social	Governance	Other	Resolved	Open
Total Return Credit Investment Fund	03/06/24	31/03/25	140	47.9%	31.4%	20.7%	0.0%	72.9%	27.1%
Aspect of Engagement Activity	Details								
Key Points of the Manager's Engagement Policy	<p>M&G's approach to engagement is set out in their 'Engagement Policy'. M&G believe that the long-term success of companies is supported by effective investor stewardship and high standards of corporate governance. They believe that if a company is run well, and sustainably, it is more likely to be successful in the long run.</p>								
	<p>To gain insight, establish relationships and/or to influence and affect change M&G undertake the following measures:</p> <ul style="list-style-type: none"> arranging regular meetings with executive management, the chair and/or other non-executive directors daily monitoring of company announcements reviewing company results (annual and interim) reviewing external research materials (eg, broker research reports) attending company site visits and capital markets days for investors attending broker meetings to discuss investment recommendations engaging in specific discussions with companies on material topics, including: strategy, performance and non-financial matters (including environmental, social and corporate governance factors; capital structures; board performance and understanding how boards are fulfilling their responsibilities; succession planning; remuneration; and culture) attending company engagement / corporate governance meetings (arranged by companies to enhance the engagement process and provide a forum for governance and responsible investment subjects to be discussed) meetings with remuneration committee chairs (in particular where the company is reviewing its remuneration policy, or prior to general meetings where sensitive or contentious resolutions are being put to a shareholder vote) corresponding with non-executive directors in instances where issues have been raised with management, but where progress on these issues is inadequate maintaining a record of all interactions with companies <p>From M&G's most recent Annual Stewardship Report the manager has identified the following as their key engagement topics:</p> <ul style="list-style-type: none"> Leadership & Governance Environment 								

	<ul style="list-style-type: none"> ▪ Business Model and Innovation ▪ Social Capital ▪ Human Capital
Additional Information on Engagements Provided by the Manager	<p>Whilst the manager provided a list of engagements undertaken on investments in the fund during the Scheme's holding period, no additional information was provided in terms of:</p> <ul style="list-style-type: none"> ▪ engagement objectives ▪ collaborative engagements ▪ process for escalating ineffective engagement and ▪ whether any fintech solution was used to facilitate engagement
Comparison of the Manager's Engagement Activity vs the Scheme's Expectations	<p>An example of a reported engagement undertaken for the Total Return Credit Investment Fund is:</p> <p><u>22/11/24 – UPM-KYMMENE OYJ - Environmental-themed Engagement /Carbon emissions</u></p> <p>Engagement Details: <i>'As part of a collective engagement with NZEI, we followed up on our requests made in our last meeting in March 2024, that UPM, the forestry company, set a net zero target, publishes a credible transition plan to achieve the target including quantified decarbonisation actions and increases disclosure on the plan to achieve the 2030 target to phase out coal and peat.'</i></p> <p>Engagement Outcome: <i>'UPM explained that the suspension of the SBTi timber and fibre pathway is holding UPM back from setting science based targets for NZ2050. Alternatives such as ISO may be considered if SBTi cannot provide timely solutions, but a solution is expected in H1 2025. Regardless of the delay with SBTi, we asked for UPM to set a NZ2050 target anyway.'</i></p> <p><i>CSRD does not require science based targets to be SBTi verified and the first disclosure is likely to be published in March 2025. In relation to UPM's capital allocation for achieving net zero, €35 million has been invested in the electrification of 8 boilers in Germany and Finland which is saving not only 50,000 tonnes of carbon emissions per annum but also means that UPM can also buy electricity when it is cheap. However, due to the falling demand for pulp and paper, some UPM plants are not operating efficiently and UPM expressed doubts about reaching their energy efficiency target of a 1% annual decrease this year and as a result is exploring wind energy alternatives.</i></p> <p><i>In terms of the 65% emission reduction target for 2030, UPM is still expecting to reach a 90% reduction. UPM's 30by30 program aims to mitigate climate change through collaboration with suppliers and partners, focusing on Scope 3 emissions, which were down 23% in 2023 when UPM started using LNG dual fuel ships. Finally, we asked for an update on phasing out coal and peat. Coal is the main fuel in China and the decision to transition to gas has now been delayed.</i></p> <p>Engagement Status: <i>'Closed'</i></p>
Is Engagement Activity in Line with the Scheme's Expectations?	<p>The activity appears to be consistent with the Manager's stated engagement approach, and so is also consistent with the Scheme's approach.</p>



Minerva Says

As can be seen from the previous tables, the Scheme's managers' 'Engagement Activity' appears to comply with their own engagement approaches, and so also complies with the Scheme's approach.

9 Conclusions

9.1 Assessment of Compliance

In this report, Minerva has undertaken an independent review of the Scheme's external asset managers' voting and engagement activity. The main objective of the review is for Minerva to be in a position to say that the activities undertaken on the Scheme's behalf by its agents are aligned with its own policies.

Set out in the following table is Minerva's assessment of each manager's compliance with the Scheme's approach:

Table 9.1: Summary Assessment of Compliance

Fund / Product Manager	Investment Fund/ Product	Does the Manager's Reported Activity Follow the Scheme's Expectations:				UK Stewardship Code 2020 Signatory?	Overall Assessment
		Voting Activity	Significant Votes Identified	Engagement Activity	Use of a 'Proxy Voter?'		
BlackRock	Corporate Bond Up To 5 Years Index Fund	N.I.R.	N.I.R.	YES	N/A	YES	COMPLIANT AN ISSUE EXISTS
BNY Mellon	Newton Global Dynamic Bond Fund	N.I.R.	N.I.R.	YES	N/A	YES	COMPLIANT AN ISSUE EXISTS
	Dynamic Diversified Fund	YES	YES	YES	ISS		COMPLIANT AN ISSUE EXISTS
LGIM*	LDI Matching Core Fund (4 funds)	N.I.R.	N.I.R.	N.I.R.	N/A	YES	N.I.R.
	Over 5 Year Index-Linked Gilts Index Fund	N.I.R.	N.I.R.	N.I.R.	N/A		N.I.R.
M&G	Total Return Credit Investment Fund	N.I.R.	N.I.R.	YES	N/A	YES	COMPLIANT
Vontobel	TwentyFour Strategic Income Fund	N.I.R.	N.I.R.	N.I.R.	N/A	YES	N.I.R.

* LGIM have requested that a Disclaimer be shared, which should be read in relation to any stewardship information provided by them. It can be found at the end of this report.

Table Key

GREEN=Positive outcome e.g., Manager's reported activity follows the Scheme's expectations

ORANGE=An issue exists e.g., the information provided does not match the Scheme's reporting / investment holding period

BLUE=Manager has confirmed that there is no voting, 'Significant Votes' or engagement information to report (N.I.R.)

RED=Negative outcome e.g., no information provided (N.I.P.); Manager is not a signatory to the UK Stewardship Code 2020

GREY=Not Applicable e.g., there has been no 'Proxy Voter' used due to the nature of the investments held

Minerva Says

Overall Assessment:

We believe that the Scheme's managers have broadly complied with the Scheme's Voting and Engagement requirements of them.

Notes

- 1) The preceding table shows that Minerva has been able to determine that:
 - There was nothing to report for a number of the Scheme's investments, due to the nature of those investments (e.g., LGIM LDI Funds)
 - LGIM, provided data on Voting and 'Significant Vote'. Their overall approach aligns with the Scheme's requirements
 - For the managers where Engagement information was available, their overall approaches are also in step with the Scheme's requirements
- 2) All of the Scheme's investment managers are signatories to the UK Stewardship Code.
- 3) We remain somewhat disappointed with the limited engagement information provided by LGIM and BlackRock. We believe that, as Stewardship Code Signatories, these asset managers should be able to provide their clients with more useful information on stewardship activities undertaken on their behalf.

LGIM Information Disclaimer

- i. Carbon dioxide equivalent (CO₂e) is a standard unit to compare the emissions of different greenhouse gases.
- ii. The choice of this metric follows best practice recommendations from the Task Force on Climate-related Financial Disclosures.
- iii. Data on carbon emissions from a company's operations and purchased energy is used.
- iv. This measure is the result of differences in weights of companies between the index and the benchmark, and does not depend on the amount invested in the fund. It describes the relative 'carbon efficiency' of different companies in the index (i.e. how much carbon was emitted per unit of sales), not the contribution of an individual investor in financing carbon emissions.
- v. LGIM set the following threshold for our reportable funds 1) the assets eligible for coverage e.g. eligible ratio needs to be greater than or equal to 50% and 2) the carbon coverage of the eligible assets e.g. eligible coverage needs to be greater than or equal to 60%.
- vi. Eligibility % represents the % of the securities in the benchmark which are eligible for reporting including equity, bonds, ETFs and sovereigns (real assets, private debt and derivatives are currently not included for carbon reporting). The Coverage % represents the coverage of those assets with carbon scores.
- vii. Derivatives including repos are not presently included and the methodology is subject to change. Leveraged positions are not currently supported. In the instance a leveraged position distorts the coverage ratio over 100% then the coverage ratio will not be shown.
- viii. LGIM define 'Sovereigns' as, Agency, Government, Municipals, Strips and Treasury Bills and is calculated by using: the CO₂e/GDP, Carbon Emissions Footprint uses: CO₂e/Total Capital Stock.
- ix. The carbon reserves intensity of a company captures the relationship between the carbon reserves the company owns and its market capitalisation. The carbon reserves intensity of the overall benchmark reflects the relative weights of the different companies in the benchmark.
- x. Green revenues % represents the proportion of revenues derived from low-carbon products and services associated with the benchmark, from the companies in the benchmark that have disclosed this as a separate data point.
- xi. Engagement figures do not include data on engagement activities with national or local governments, government related issuers, or similar international bodies with the power to issue debt securities.
- xii. LGIM's temperature alignment methodology computes the contribution of a company's activities towards climate change. It delivers an specific temperature value that signifies which climate scenario (e.g. 3°C, 1.5°C etc.) the company's activities are currently aligned with. The implied temperature alignment is computed as a weighted aggregate of the company-level warming potential.

Third Party ESG Data Providers: Source: ISS. Source: HSBC© HSBC 2022. Source: IMF (International Monetary Fund). Source: Refinitiv. Information is for recipients' internal use only.

Important Information: In the United Kingdom and outside the European Economic Area, this document is issued by Legal & General Investment Management Limited, Legal and General Assurance (Pensions Management) Limited, LGIM Real Assets (Operator) Limited, Legal & General (Unit Trust Managers) Limited and/or their affiliates ('Legal & General', 'we' or 'us'). Legal & General Investment Management Limited. Registered in England and Wales No. 02091894. Registered Office: One Coleman Street, London, EC2R 5AA. Authorised and regulated by the Financial Conduct Authority, No. 119272. Legal and General Assurance (Pensions Management) Limited. Registered in England and Wales No. 01006112. Registered Office: One Coleman Street, London, EC2R 5AA. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, No. 202202. LGIM Real Assets (Operator) Limited. Registered in England and Wales, No. 05522016. Registered Office: One Coleman Street, London, EC2R 5AA. Authorised and regulated by the Financial Conduct Authority, No. 447041. Please note that while LGIM Real Assets (Operator) Limited is regulated by the Financial Conduct Authority, we may conduct certain activities that are unregulated. Legal & General (Unit Trust Managers) Limited. Registered in England and Wales No. 01009418. Registered Office: One Coleman Street, London, EC2R 5AA. Authorised and

regulated by the Financial Conduct Authority, No. 119273. In the European Economic Area, this document is issued by LGIM Managers (Europe) Limited, authorised by the Central Bank of Ireland as a UCITS management company (pursuant to European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended) and as an alternative investment fund manager with “top up” permissions which enable the firm to carry out certain additional MiFID investment services (pursuant to the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. No. 257 of 2013), as amended). Registered in Ireland with the Companies Registration Office (No. 609677). Registered Office: 70 Sir John Rogerson’s Quay, Dublin, 2, Ireland. Regulated by the Central Bank of Ireland (No. C173733).

Date: All features described and information contained in this report (“Information”) are current at the time of publication and may be subject to change or correction in the future. Any projections, estimate, or forecast included in the Information (a) shall not constitute a guarantee of future events, (b) may not consider or reflect all possible future events or conditions relevant to you (for example, market disruption events); and (c) may be based on assumptions or simplifications that may not be relevant to you.

Not Advice: Nothing in this material should be construed as advice and it is therefore not a recommendation to buy or sell securities. If in doubt about the suitability of this product, you should seek professional advice. The Information is for information purposes only and we are not soliciting any action based on it. No representation regarding the suitability of instruments and/or strategies for a particular investor is made in this document and you should refrain from entering into any investment unless you fully understand all the risks involved and you have independently determined that the investment is suitable for you.

Investment Performance: The value of an investment and any income taken from it is not guaranteed and can go down as well as up; you may not get back the amount you originally invested. Past performance is not a guide to the future. Reference to a particular security is for illustrative purposes only, is on a historic basis and does not mean that the security is currently held or will be held within an LGIM portfolio. The above information does not constitute a recommendation to buy or sell any security.

Confidentiality and Limitations: Unless otherwise agreed by Legal & General in writing, the Information in this document (a) is for information purposes only and we are not soliciting any action based on it, and (b) is not a recommendation to buy or sell securities or pursue a particular investment strategy; and (c) is not investment, legal, regulatory or tax advice. Any trading or investment decisions taken by you should be based on your own analysis and judgment (and/or that of your professional advisors) and not in reliance on us or the Information. To the fullest extent permitted by law, we exclude all representations, warranties, conditions, undertakings and all other terms of any kind, implied by statute or common law, with respect to the Information including (without limitation) any representations as to the quality, suitability, accuracy or completeness of the Information. Any projections, estimates or forecasts included in the Information (a) shall not constitute a guarantee of future events, (b) may not consider or reflect all possible future events or conditions relevant to you (for example, market disruption events); and (c) may be based on assumptions or simplifications that may not be relevant to you. The Information is provided ‘as is’ and ‘as available’. To the fullest extent permitted by law, Legal & General accepts no liability to you or any other recipient of the Information for any loss, damage or cost arising from, or in connection with, any use or reliance on the Information. Without limiting the generality of the foregoing, Legal & General does not accept any liability for any indirect, special or consequential loss howsoever caused and on any theory or liability, whether in contract or tort (including negligence) or otherwise, even if Legal & General has been advised of the possibility of such loss.

Source: Unless otherwise indicated all data contained are sourced from Legal & General Investment Management Limited.

About Minerva

Minerva helps investors and other stakeholders to overcome data disclosure complexity with robust, objective research and voting policy tools. Users can quickly and easily identify departures from good practice based on their own individual preferences, local market requirements or apply a universal good practice standard across all markets.

For more information please email hello@minerva.info or call + 44 (0)1376 503500

Copyright

This analysis has been compiled from sources which are believed to be reliable. No warranty or representation of any kind, whether express or implied, is given as to the accuracy or completeness of the report or its sources and neither Minerva Analytics nor its officers, directors, employees, or agents accept any liability of any kind in relation to the same. All opinions, estimates, and interpretations included in this report constitute our judgement as of the publication date, information contained with this report is subject to change without notice.

Other than for the Pension Scheme for which this analysis has been provided, this report may not be copied or disclosed in whole or in part by any person without the express written authority of Minerva Analytics. Any unauthorised infringement of this copyright will be resisted. This report does not constitute investment advice or a solicitation to buy or sell securities, and investors should not rely on it for investment information.

Conflicts of Interest

Minerva Analytics does not provide consulting services to issuers, however issuers and advisors to issuers (remuneration consultants, lawyers, brokers etc.) may subscribe to Minerva Analytics' research and data services.

