

# Engagement Policy Implementation Statement (“EPIS”)

## Industry-Wide Mineworker’s Pension Scheme (the “Scheme”)

Scheme Year End – 31 December 2024

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

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

### Our conclusion

**Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.**

In our view, most of the Scheme’s investment managers were able to disclose good evidence of voting and engagement activity. We believe that the activities the managers have completed align with our stewardship priorities, and that our voting policy has been implemented effectively in practice. However, in future we expect LGIM to provide specific engagement examples relevant to the funds the Scheme invests in, and BlackRock to provide information regarding their engagement activities relevant to our investments in UK property. Through Aon, we will engage with the managers to encourage better reporting going forward.

The Scheme's latest SIPs can be found here:

## DB Section

<https://www.iwmps.com/resources/iwmps-statement-of-investment-principles-may-2023/>

### What is stewardship?

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

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

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

*Source: UN PRI*

## How the policies in the SIP have been followed

In the table below we set out what we have done during the year to meet the policies in the SIP.

Requirement	Policy	In the year to 31 December 2024
Strategy	The Trustee monitors strategy relative to the agreed asset allocation benchmarks. It is intended that the investment strategy for each employer section will be reviewed at least every three years following actuarial valuations of the sections. In reviewing strategy, the Trustee will seek written advice as required.	The Trustee is provided with quarterly reports detailing the asset allocation against the benchmark. The Trustee reviewed the Scheme's expected returns on a quarterly basis to monitor against its objective.
Performance	The Trustee believes that having appropriate governing documentation, setting clear expectations to the asset managers by other means (where necessary), and regular monitoring of asset managers' performance and investment strategy, is in most cases sufficient to incentivise the asset managers to make decisions that align with the Trustee's policies and are based on assessments of medium- and long-term financial and non-financial performance.	The Trustee was provided with quarterly investment reports produced by their investment advisor which provide all the relevant monitoring information for each fund.

Risk	The risk of a significant difference in the sensitivity of asset and liability values to changes in financial and demographic factors (“mismatching risk”). The Trustee and their advisers considered this mismatching risk when setting the investment strategy and have specifically structured the Scheme’s assets so as to minimise this risk as far as is practical.	The Trustee and its advisers considered this mismatching risk when setting the investment strategy and monitors the LDI portfolio on an ongoing basis.
Environmental, Social and Governance consideration	In setting the Scheme’s investment strategy, the Trustee’s primary concern is to act in the best financial interests of the Scheme and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk. This includes the risk that environmental, social and governance factors including climate change negatively impact the value of investments held if not understood and evaluated properly.	Aon’s specialist manager research team regularly reviews the Scheme’s managers including on stewardship and the exercise of voting rights. Aon provides the Trustee with updates if there are any material changes to Aon’s ESG ratings of each fund.  Aon confirmed that all applicable managers received at least integrated ESG rating over Q1. This means that the fund management team has taken appropriate steps to identify, evaluate and mitigate potential financially material ESG risks within the portfolio.
Stewardship	The Trustee regularly reviews the continuing suitability of the appointed managers and takes advice from the investment adviser with regard to any changes. This advice includes consideration of broader stewardship matters and the exercise of voting rights by the appointed managers.	Information, in particular focussing on case studies of voting and engagement activity, were requested from managers in conjunction with the preparation of this Implementation Statement.  All voting and engagement has been delegated to managers.

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The Scheme is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Scheme’s investment managers.

The Scheme also has a Liability Driven Investment (“LDI”) portfolio, however, stewardship activity within the LDI portfolio is not material given that the overarching purpose of these funds is to track the Scheme’s liabilities. We reviewed the stewardship activity of the material investment managers carried out over the Scheme year and in our view, all of our investment managers were able to disclose adequate evidence of voting and/or engagement activity. More information on the stewardship activity carried out by the Scheme’s investment managers can be found in the following sections of this report.

Investment monitoring takes place on a quarterly basis with a brief quarterly monitoring report being provided to us by our investment adviser, Aon Investments Limited (“Aon”). Over the reporting year, we monitored the performance of the Scheme’s investments on a quarterly basis and received updates on important issues from Aon.

#### **Discussions with the sponsor to align applicable ESG objectives**

The views of the sponsor, where applicable, have been aligned to the Scheme's ESG objectives. For example, this includes manager appointments and changes to the SIP to highlight updates to the stewardship guidance. Furthermore, the Trustee and sponsor have jointly received training, delivered by Aon, on regulatory matters relating to stewardship and responsible investment in a broader context when required.

## **Our Engagement Action Plan**

Based on the work we have done for the EPIS, we have decided to take the following steps over the next 12 months:

1. Whilst Legal and General Investment Management Limited (“LGIM”) did provide a comprehensive list of fund-level engagements, which we find encouraging, it did not provide detailed engagement examples specific to the funds in which we are invested, as per the Investment Consulting Sustainability Working Group (“ICSWG”) industry standard engagement reporting template. We will continue to work with LGIM to better understand its voting and engagement practices and discuss the areas which are behind those of its peers.
2. BlackRock did not provide any data on engagement relating to its UK Property Fund and mentioned that it does not report on the stewardship activities of this Fund. We will continue to engage with BlackRock to encourage improvements in its engagement reporting.
3. We will continue to undertake an annual review of Aon’s stewardship report and evaluate how the underlying investment managers’ responsible investment policies align with those of our own.

## LGIM's engagement activity

We invest the majority of the Scheme's assets with Legal and General Investment Management ("LGIM"). As part of LGIM's appointment, we have delegated the day-to-day management of the majority of the Scheme's growth assets as a bespoke growth portfolio to LGIM. We have agreed parameters with LGIM to manage the Scheme's growth assets. This allows LGIM to select the underlying funds on our behalf.

We delegate monitoring of ESG integration and stewardship of the underlying managers to LGIM. We believe that LGIM is using its resources to effectively influence positive outcomes in the funds in which it invests.

## Our investment managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether an investment manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Scheme's equity-owning investment manager to responsibly exercise its voting rights.

### Voting statistics

The table below shows the voting statistics for each of the Scheme's material LGIM funds with voting rights for the year to 31 December 2024.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
Multi Asset Target Return Fund	3,313	99.7%	24.8%	0.8%
Diversified Multi-Factor Equity Fund	17,980	99.7%	18.4%	1.2%
World Emerging Markets Equity Fund	35,559	99.9%	17.6%	2.0%
FTSE Developed Core Infrastructure Index Fund	1,838	97.9%	23.6%	1.0%
Global Listed Private Equity Passive Fund	841	100.0%	24.3%	0.2%
Europe (ex UK) Equity Index Fund (GBP Currency Hedged and Unhedged)	8,700	99.7%	18.0%	0.5%
UK Equity Index Fund	10,188	100.0%	6.0%	0.0%
North America Equity Index Fund	8,318	99.1%	35.7%	0.6%
Asia Pacific (ex-Japan) Developed Equity Index Fund	3,246	100.0%	25.0%	0.2%
Japan Equity Index Fund - (GBP Currency Hedged and Unhedged)	5,979	100.0%	10.3%	0.0%
MSCI World Small Cap ESG Exclusions Fund	46,704	99.8%	26.0%	0.4%
High Yield Bond Fund	35	100.0%	5.7%	0.0%

Source: Manager. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast and are distinct from a non-vote.

### Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

## Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how LGIM uses proxy voting advisers.

### Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

	<b>Description of use of proxy voting advisers</b> <i>(in the managers' own words)</i>
LGIM	LGIM's Investment Stewardship team uses Institutional Shareholder Services ("ISS") 'Proxy Exchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM, and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.

Source: LGIM.

## Significant voting examples

To illustrate the voting activity being carried out on our behalf, we asked LGIM to provide a selection of what it considers to be the most significant votes in relation to the Scheme's funds. A sample of these significant votes can be found in the appendix.

## Our investment managers' engagement activity

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

The table below shows some of the engagement activity carried out by the Scheme's material managers. The investment managers have provided information for the most recent calendar year available.

Funds	Number of engagements		Themes engaged on at a fund level
	Fund level	Firm level	
LGIM - Multi-Asset Target Return Fund	284		Environment - Climate Impact Pledge, Climate Change Social - Human Rights, Gender Diversity Governance - Capital Management, Remuneration Others - Corporate Strategy
LGIM - Diversified Multi-Factor Equity Fund	1,039		Environment - Climate Impact Pledge, Climate Change Social - Human Rights, Gender Diversity Governance - Capital Management, Remuneration Others - Corporate Strategy, Company Disclosure & Transparency
LGIM - High Yield Bond Fund	202		Environment - Climate Impact Pledge, Climate Change Social - Human Rights, Gender Diversity Governance - Capital Management, Remuneration Others - Corporate Strategy
LGIM - World Emerging Markets Equity Index Fund	691		Environment - Climate Impact Pledge, Deforestation, Climate Change Social – Human Rights, Public Health Governance - Capital Management, LGIM ESG Score Others - Corporate Strategy
LGIM - FTSE Developed Core Infrastructure Index Fund	162	<i>Not provided</i>	Environment - Climate Impact Pledge, Climate Change Social – Human Rights, Labour Standards Governance - Capital Management, Remuneration Others - Corporate Strategy
LGIM - Global List Private Equity Passive Fund	6		Environment - Climate Change Social - Gender Diversity Governance - Capital Management, Remuneration
LGIM - Europe (ex UK) Index Fund (GBP Hedged and Unhedged)	366		Environment - Climate Impact Pledge, Climate Change Social – Human Rights, Gender Diversity Governance - Capital Management, Remuneration Others - Corporate Strategy, Company Disclosure & Transparency
LGIM - UK Equity Index Fund	421		Environment - Climate Impact Pledge, Climate Change Social - Ethnic Diversity, Human Rights Governance - Remuneration, Capital Management Others - Corporate Strategy, Company Disclosure & Transparency
LGIM - North America Equity Index Fund	617		Environment - Climate Impact Pledge, Climate Change Social – Human Rights, Gender Diversity, Public Health

			Governance – Capital Management, Remuneration, Board Composition Others - Corporate Strategy, Company Disclosure & Transparency
LGIM - Asia Pacific (ex-Japan) Developed Equity Index Fund	242		Environment - Climate Impact Pledge, Climate Change Social – Human Rights, Gender Diversity Governance - Capital Management, Remuneration Others - Corporate Strategy
LGIM - Japan Equity Index Fund - (GBP Currency Hedged and Unhedged)	177		Environment - Climate Impact Pledge, Climate Change Social - Human Rights, Lobbying and Political Donations Governance – Capital Management, Board Composition Others - Corporate Strategy
LGIM - MSCI World Small Cap ESG Exclusions Fund	1,411		Environment - Climate Impact Pledge, Climate Change, Deforestation Social - Human Rights, Ethnic Diversity Governance - Remuneration, Capital Management Others - Corporate Strategy
LGIM - AAA-AA-A Bonds-All Stocks Index Fund	253		Environment - Climate Impact Pledge, Climate Change Social - Human Rights, Gender Diversity Governance - Remuneration, Capital Management, Others - Corporate Strategy, Company Disclosure & Transparency
LGIM - USD Corporate Bond Passive AAA-AA-A Fund - GBP Hedged	461		Environment -Climate Impact Pledge, Climate Change Social - Human Rights, Gender Diversity Governance - Capital Management, Remuneration Others - Corporate Strategy, Company Disclosure & Transparency
LGIM - Emerging Market Passive USD Gov Bond Fund	4		Environment - Climate Change Governance - Capital Management, Others - Regulation
LGIM - GBP Corporate Bond BBB-Fallen Angels Fund			<i>Not provided</i>
LGIM - Overseas Bond Index Fund - GBP Hedged			<i>Not provided</i>
LGIM - Emerging Market Passive Local Currency Government Bond Fund			<i>Not provided</i>
BlackRock - UK Property Fund	<i>Not provided</i>	3,384	<i>Not provided</i>

Source: Managers.



## Data limitations

At the time of writing, the following managers did not provide all the information we requested:

- LGIM has provided a complete list of engagements for most of the invested funds, but did not provide engagement data for the below list of funds:
  - GBP Corporate Bond BBB- Fallen Angels Fund.
  - Overseas Bond Index Fund.
  - Emerging Market Passive Local Currency Government Bond Fund.

Additionally, LGIM did not include as much detail as recommended in the best practice industry standard Investment Consultants Sustainability Working Group (“ICSWG”) reporting guide. The manager stated that it will provide further engagement information, in line with the ICSWG reporting guide, after it publishes its annual stewardship report. LGIM’s firm-level engagement information will be available when its annual report is published.

- BlackRock did not provide any requested data in relation to its UK Property Fund.

This report does not include commentary on the Scheme's liability driven investments, gilts or cash / cash funds because of the limited materiality of stewardship to these asset classes.

## Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by LGIM. We consider a significant vote to be one which the investment manager considers significant or where more than 15% of votes were cast against management. Investment managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below in the investment managers' own words:

<b>Multi Asset Target Return Fund;</b>		
<b>Diversified Multi-Factor Equity Fund;</b>	<b>Company name</b>	Microsoft Corporation
<b>North America Equity Index Fund</b>		
	<b>Date of vote</b>	10-Dec-2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	Multi Asset Target Return Fund - 0.1% Diversified Multi-Factor Equity Fund - 0.2% North America Equity Index Fund - 5.8%
	<b>Summary of the resolution</b>	Resolution 9: Report on Artificial Intelligence ("AI") Data Sourcing Accountability
	<b>How you voted?</b>	For
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	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.
	<b>Rationale for the voting decision</b>	Shareholder Resolution - Governance: A vote FOR this resolution is warranted as the company is facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While the company has strong disclosures on its approach to responsible AI and related risks, shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	<b>On which criteria have you assessed this vote to be most significant?</b>	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.
<b>FTSE Developed Core Infrastructure Index Fund;</b>		
<b>Asia Pacific (ex-Japan) Developed Equity Index Fund</b>	<b>Company name</b>	The Hong Kong and China Gas Company Limited
	<b>Date of vote</b>	04-June-2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	FTSE Developed Core Infrastructure Index Fund - 0.3%, Asia Pacific (ex-Japan) Developed Equity Index Fund - 0.4%
	<b>Summary of the resolution</b>	Resolution 3.1: Elect Lee Ka-shing as Director
	<b>How you voted?</b>	Against
	<b>Where you voted against management, did you</b>	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is our policy not to

	<b>communicate your intent to the company ahead of the vote?</b>	engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	<b>Rationale for the voting decision</b>	Independence: A vote against is applied as the board is not sufficiently independent which is a critical element for a board to protect shareholders' interests. Remuneration Committee: A vote against has been applied because LGIM expects the Committee to comprise independent directors. Diversity: A vote against is applied as LGIM expects a company to have a diverse board, including at least one woman. We expect companies to increase female participation both on the board and in leadership positions over time. Board mandates: A vote against is applied as LGIM expects a CEO/CFO/FD or a non-executive director not to hold too many external roles to ensure they can undertake their duties effectively.
	<b>Outcome of the vote</b>	Pass
	<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	<b>On which criteria have you assessed this vote to be most significant?</b>	Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.
<b>World Emerging Markets Equity Fund</b>	<b>Company name</b>	Fomento Economico Mexicano SAB de CV
	<b>Date of vote</b>	22-March-2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	0.3%
	<b>Summary of the resolution</b>	Elect Board Chairman and Secretaries; Approve Remuneration of Directors; Verify Director's Independence Classification
	<b>How you voted?</b>	Against
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a 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.
	<b>Rationale for the voting decision</b>	Joint Chair/CEO: A vote against is applied as LGIM expects the roles of Board Chair and CEO to be separate and not to be recombined once separated. These two roles are substantially different and a division of responsibilities ensures there is a proper balance of authority and responsibility on the board.
	<b>Outcome of the vote</b>	Pass
	<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
		<b>On which criteria have you assessed this vote to be most significant?</b>
<b>Global Listed Private Equity Passive Fund</b>	<b>Company name</b>	Apollo Global Management, Inc.
	<b>Date of vote</b>	24-June-2024

<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	7.6%
<b>Summary of the resolution</b>	Resolution 1.1: Elect Director A.B. Krongard
<b>How you voted?</b>	Against
<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a 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.
<b>Rationale for the voting decision</b>	Diversity: A vote against is applied as LGIM expects a company to have at least one-third women on the board.
<b>Outcome of the vote</b>	Pass
<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
<b>On which criteria have you assessed this vote to be most significant?</b>	Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.

**Europe (ex UK)  
Equity Index Fund  
(GBP Currency  
Hedged and  
Unhedged)**

<b>Company name</b>	Kone Oyj
<b>Date of vote</b>	29-Feb-2024
<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	0.2%
<b>Summary of the resolution</b>	Reelect Susan Duinhoven as Director
<b>How you voted?</b>	Against
<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	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.
<b>Rationale for the voting decision</b>	Audit Committee Expertise: A vote against has been applied as the Chair of the Audit Committee does not appear to have a financial background.
<b>Outcome of the vote</b>	Pass
<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
<b>On which criteria have you assessed this vote to be most significant?</b>	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.

**UK Equity Index  
Fund**

<b>Company name</b>	Shell Plc
<b>Date of vote</b>	21-May-2024
<b>Approximate size of</b>	7.7%

<b>fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>		
<b>Summary of the resolution</b>	Resolution 22: Approve the Shell Energy Transition Strategy	
<b>How you voted?</b>	Against	
<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	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.	
<b>Rationale for the voting decision</b>	Climate change: A vote against is applied. We acknowledge the substantive progress the company has made in respect of climate related disclosure over recent years, and we view positively the commitments made to reduce emissions from operated assets and oil products, the strong position taken on tackling methane emissions, as well as the pledge of not pursuing frontier exploration activities beyond 2025. Nevertheless, in light of the revisions made to the Net Carbon Intensity (NCI) targets, coupled with the ambition to grow its gas and LNG business this decade, we expect the company to better demonstrate how these plans are consistent with an orderly transition to net-zero emissions by 2050. In essence, we seek more clarity regarding the expected lifespan of the assets Shell is looking to further develop, the level of flexibility in revising production levels against a range of scenarios and tangible actions taken across the value chain to deliver customer decarbonisation. Additionally, we would benefit from further transparency regarding lobbying activities in regions where hydrocarbon production is expected to play a significant role, guidance on capex allocated to low carbon beyond 2025 and the application of responsible divestment principles involved in asset sales, given portfolio changes form a material lever in Shell's decarbonization strategy.	
<b>Outcome of the vote</b>	Pass	
<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	
<b>On which criteria have you assessed this vote to be most significant?</b>	Thematic - Climate: LGIM is publicly supportive of so called "Say on Climate" votes. We expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile nature of such votes, LGIM deem such votes to be significant, particularly when LGIM votes against the transition plan.	
<b>Japan Equity Index Fund - (GBP Currency Hedged and Unhedged)</b>	<b>Company name</b>	KEYENCE Corp.
	<b>Date of vote</b>	14-Jun-2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	2.0%
	<b>Summary of the resolution</b>	Resolution 2.2: Elect Director Nakata, Yu
	<b>How you voted?</b>	Against
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	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.

	<b>Rationale for the voting decision</b>	Diversity: A vote against is applied due to the lack of meaningful diversity on the board. Accountability: A vote against has been applied as the Company has not provided disclosure surrounding the use of former CEO as Advisor to the Board.
	<b>Outcome of the vote</b>	<i>Not provided</i>
	<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	<b>On which criteria have you assessed this vote to be most significant?</b>	Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.
<b>MSCI World Small Cap ESG Exclusions Fund</b>	<b>Company name</b>	Alcoa Corporation
	<b>Date of vote</b>	10-May-2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	0.1%
	<b>Summary of the resolution</b>	Resolution 4: Report on Lobbying Payments and Policy
	<b>How you voted?</b>	For
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	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.
	<b>Rationale for the voting decision</b>	Shareholder Resolution - Political lobbying: A vote in favour is applied as LGIM expects companies to provide sufficient disclosure on such contributions.
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	<b>On which criteria have you assessed this vote to be most significant?</b>	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.

Source: LGIM.