

Implementation Statement (“IS”)

Industry-Wide Coal Industry-Wide Coal Staff Superannuation Scheme

Scheme Year End – 31 December 2022

The purpose of the EPIS is for us, the Trustee of the Industry-Wide Coal Staff Superannuation Scheme (the “Scheme”), to explain what we have done during the year ending 31 December 2022 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, the Scheme’s most material investment manager was able to disclose adequate evidence of voting and engagement activity. We believe that the activities completed by LGIM aligns with our stewardship priorities, and that our voting policy has been implemented effectively in practice. However, we would expect more from BlackRock regarding its UK Property Fund and will engage with the manager to promote this for future reporting periods.

How voting and engagement policies have been followed

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, most of the 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.

Investment monitoring takes place on a quarterly basis with a brief quarterly monitoring report being provided to the Trustee by 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 our investment adviser, Aon Investments Limited ("Aon").

The Trustee has an ESG focussed action plan that includes a review of its existing and newly appointed fund managers. This included a review of their global credit allocation, carried out as part of a wider growth portfolio review, where the manager has been instructed to reduce its carbon exposure. Additionally, as part of ongoing strategy reviews of various Sections within the Scheme, the managers' ESG credentials will be actively considered by the Trustee to ensure they are aligned with the Scheme's policies.

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.

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

The Scheme's stewardship policy can be found in the SIP:
<https://www.iwmps.com/media/3953/iwmps-sip-2021.pdf>

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. While LGIM did provide a comprehensive list on fund level engagements, which we find encouraging, it did not provide detailed engagement examples specific to the fund in which we are invested, as per the Investment Consulting Sustainability Working Group

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 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

("ICSWG") industry standard. We will 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 information on engagement reporting and stated that this was due to the Fund not holding publicly listed securities and hence BlackRock does not produce an engagement report. However, we expect managers of real estate funds to engage with tenants and the local community to address potential issues and drive change. We will engage with BlackRock to encourage improvements in its engagement reporting.
3. We will undertake an annual review of our investment managers' Responsible Investment policies to ensure they are in line with our own.

LGIM's engagement activity

We invest some of the Scheme's assets with Legal and General Investment Management ("LGIM"). As part of LGIM's appointment, the Trustee has delegated the day-to-day management of the majority of the Scheme's growth assets as a bespoke growth portfolio to LGIM. The Trustee has 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 have reviewed LGIM's latest annual Stewardship Report and we believe it shows that LGIM is using its resources to effectively influence positive outcomes in the funds in which it invests.

Our 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. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a 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 managers to responsibly exercise their 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 2022.

	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
Multi-Asset Target Return Fund	3,626	100.0%	25.8%	0.1%
Diversified Multi-Factor Equity Fund	19,679	99.8%	19.3%	1.5%
World Emerging Markets Equity Fund	35,615	100.0%	18.8%	2.3%
Global Developed Small Cap Index Fund	41,508	99.7%	24.6%	0.2%
FTSE Developed Core Infrastructure Index Fund	1,830	100.0%	24.0%	0.0%
Global List Private Equity Passive Fund	835	99.6%	23.0%	0.0%
Europe (ex UK) Equity Index Fund - GBP Currency Hedged	10,296	99.8%	18.1%	0.5%
UK Equity Index Fund	10,854	99.9%	5.5%	0.0%
North America Equity Index Fund	8,416	99.4%	34.8%	0.1%
Asia Pacific (ex-Japan) Developed Equity Index Fund	3,592	100.0%	28.4%	0.0%
Japan Equity Index Fund – (GBP Currency Hedged and Unhedged)	6,255	100.0%	11.5%	0.0%

Source: LGIM

The Multi-Asset Target Return fund does not form part of the bespoke growth portfolio arrangement with LGIM. This fund is held in respect of the Scheme's DC assets

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 LGIM uses proxy voting advisers.

	Description of use of proxy voting adviser
LGIM	LGIM's Investment Stewardship team uses Institutional Shareholder Services (ISS) 'ProxyExchange' 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

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

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.

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 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 LGIM. LGIM has provided information for the most recent calendar year available. Blackrock was unable to provide any engagement information.

Funds	Number of engagements		Themes engaged on at a fund-level
	Fund specific	Firm level	
Multi-Asset Target Return Fund	62	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity)
			Social - Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety), Public health
Diversified Multi-Factor Equity Fund	458	Not provided	Governance - Board effectiveness - Diversity, Remuneration Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, ESG Scores, and others.
			Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity)
High Yield Bond Fund	55	Not provided	Social – Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety), Inequality, Public health
			Governance - Board effectiveness - Diversity, Other, Remuneration Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, and others.
World Emerging Markets Equity Index Fund	260	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity)
			Social - Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety), Public health
			Governance - Board effectiveness - Diversity, Leadership - Chair/CEO, Remuneration, Shareholder rights, Strategy, Financial and Reporting - Risk management (e.g. operational risks, cyber/information security, product risks)
			Governance - Board effectiveness - Diversity, Remuneration Strategy, Financial and Reporting -

Funds	Number of engagements		Themes engaged on at a fund-level
	Fund specific	Firm level	
			Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, ESG Scores, and others.
Emerging Market Passive Local Currency Government Bond Fund	34	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying), Human capital management (e.g. inclusion & diversity, employee terms, safety) Governance - Board effectiveness - Diversity, Other, Remuneration, Shareholder rights Strategy, Financial and Reporting - Capital allocation, Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, Risk management (e.g. operational risks, cyber/information security, product risks)
Global Developed Small Cap Index Fund	218	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Human capital management (e.g. inclusion & diversity, employee terms, safety) Governance - Board effectiveness - Diversity, Independence, or Oversight, Other, Remuneration, Shareholder rights, Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, and others.
FTSE Developed Core Infrastructure Index Fund	14	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety) Governance – Board effectiveness – Independence or Oversight, Leadership – Chair/CEO, Remuneration Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, ESG Scores, and others.
Global List Private Equity Passive Fund	7	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying), Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety) Governance - Board effectiveness – Diversity, Independence or Oversight, Other, Leadership – Chair/CEO, Remuneration, Shareholder rights Strategy, Financial and Reporting - Capital allocation, Reporting (e.g. audit, accounting, sustainability reporting)
Europe (ex UK) Index Fund – GBP Hedged	146	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Human capital management (e.g., inclusion & diversity, employee terms, safety), Public health Governance - Board effectiveness - Diversity, Other, Remuneration Strategy, Financial and Reporting - Capital allocation, Strategy/purpose, ESG Scores, Environmental Opportunities, and others.
Overseas Bond Index Fund – GBP Hedged	34	Not provided	Environment - Climate change, Natural resource use/impact (e.g., water, biodiversity) Social - Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying), Human capital management (e.g., inclusion & diversity, employee terms, safety)

Funds	Number of engagements		Themes engaged on at a fund-level	
	Fund specific	Firm level		
				Governance - Board effectiveness - Diversity, Independence or Oversight, Other, Remuneration, Shareholder rights, Strategy, Financial and Reporting - Capital allocation, Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose
AAA-AA-A Index Fund	Bonds-All Stocks	117	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Human capital management (e.g. inclusion & diversity, employee terms, safety), Public health
				Governance - Board effectiveness - Diversity, Other, Leadership - Chair/CEO, Remuneration Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, and others.
USD Corporate Bond Angels Fund	BBB-Fallen	327	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Human capital management (e.g. inclusion & diversity, employee terms, safety), Public health
				Governance - Board effectiveness – Diversity, Other, Leadership – Chair/CEO, Remuneration Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, and others.
USD Corporate Bond AAA-AA-A Fund - GBP Hedged	Passive	288	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety), Public health
				Governance – Board effectiveness – Diversity, Leadership – Chair/CEO, Remuneration Strategy, Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, and others.
UK Equity Index Fund		266	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Human capital management (e.g. inclusion & diversity, employee terms, safety), Inequality, Public health
				Governance - Board effectiveness – Diversity, Other, Remuneration, Shareholder rights, Strategy, Financial and Reporting - Strategy/purpose, and others.
GBP Corporate Bond Angels Fund	BBB-Fallen	125	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety), Inequality
				Governance - Board effectiveness - Diversity, Other, Remuneration Strategy, Financial and Reporting - Capital allocation, Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, Risk management (e.g. operational risks, cyber/information security, product risks), and others.
North America Equity Index Fund		252	Not provided	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Social - Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety), Public health
				Governance - Board effectiveness - Diversity, Independence or Oversight, Board effectiveness - Other,

Funds	Number of engagements		Themes engaged on at a fund-level
	Fund specific	Firm level	
			Leadership - Chair/CEO, Remuneration Strategy, Financial and Reporting - Strategy/purpose, and others.
			Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity)
Asia Pacific (ex-Japan) Developed Equity Index Fund	108	Not provided	Social - Human capital management (e.g. inclusion & diversity, employee terms, safety)
			Governance - Board effectiveness - Diversity, Other, Remuneration Strategy, Financial and Reporting - Capital allocation, Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, ESG Scores, and others.
			Environment - Climate change
Emerging Market Passive USD Gov Bond Fund	38	Not provided	Social - Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying), Human capital management (e.g. inclusion & diversity, employee terms, safety)
			Governance - Board effectiveness - Diversity, Board effectiveness - Other, Leadership - Chair/CEO, Remuneration Strategy, Financial and Reporting - Capital allocation, Strategy/purpose, Risk management (e.g. operational risks, cyber/information security, product risks)
			Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity)
Japan Equity Index Fund – (GBP Currency Hedged and Unhedged)	100	Not provided	Social - Human capital management (e.g. inclusion & diversity, employee terms, safety)
			Governance - Board effectiveness - Diversity, Other, Remuneration, Shareholder rights, Strategy, Financial and Reporting - Capital allocation, Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, ESG Scores, and others.
LGIM Sterling Liquidity Plus Fund	38	Not provided	Environment - Climate change
			Social - Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying), Human capital management (e.g. inclusion & diversity, employee terms, safety)
			Governance - Board effectiveness - Diversity, Other, Remuneration, Shareholder rights, Strategy, Financial and Reporting - Capital allocation, Reporting (e.g. audit, accounting, sustainability reporting), Strategy/purpose, Risk management (e.g. operational risks, cyber/information security, product risks)

Source: LGIM

Data limitations

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

- BlackRock did not provide engagement information.
- LGIM did not provide firm level engagement information

We will engage with both these managers to encourage improvements in reporting.

This report does not include commentary on the Scheme's liability driven investments/gilts or cash, etc 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 manager considers significant or where more than 15% of votes were cast against management. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below

Multi-Asset Target Return Fund	Company name	Consolidated Edison, Inc.
	Date of vote	22-May-16
	How the manager voted	Against
	Did the manager communicate its intent to the company ahead of the vote?	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.
	Summary of the resolution	Elect Director Michael W. Ranger
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~0.2%
	Outcome of the vote	Pass
	Rationale for the voting decision	Joint Chair/CEO: A vote against is applied as LGIM expects companies not to recombine the roles of Board Chair and CEO without prior shareholder approval.
	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.
	Criteria on which the vote is considered significant?	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 (escalation of engagement by vote). LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 we have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 we have voted against all combined board chair/CEO roles.
Diversified Multi-Factor Equity Fund	Company name	Pfizer Inc.
	Date of vote	22-Apr-28
	How the manager voted	Against
	Did the manager communicate its intent to the company ahead of the vote?	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.
	Summary of the resolution	Elect Director Albert Bourla
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~0.4%
	Outcome of the vote	Pass
	Rationale for the voting decision	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.
	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.
	Criteria on which the vote is considered significant?	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 (escalation of engagement by vote). LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 we have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 we have voted against all combined board chair/CEO roles.

World Emerging Markets Equity Fund	Company name	Meituan
	Date of vote	22-May-18
	How the manager voted	Against
	Did the manager communicate its intent to the company ahead of the vote?	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.
	Summary of the resolution	Elect Wang Xing as Director
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~1.3%
	Outcome of the vote	Pass
	Rationale for the voting decision	Diversity: A vote against is applied as LGIM expects a company to have at least one female on the board. Joint Chair/CEO: A vote against is applied as LGIM expects the roles of Chair and CEO to be separate. These two roles are substantially different and a division of responsibilities ensures there is a proper balance of authority and responsibility on the board. A vote AGAINST the election of Xing Wang and Rongjun Mu is warranted given that their failure to ensure the company's compliance with relevant rules and regulations raise serious concerns on their ability to fulfill fiduciary duties in the company.
	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.
	Criteria on which the vote is considered significant?	LGIM views diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf. LGIM also 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 (escalation of engagement by vote). LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 we have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 we have voted against all combined board chair/CEO roles.
Global Developed Small Cap Index Fund	Company name	DXC Technology Company
	Date of vote	22-Jul-26
	How the manager voted	Against
	Did the manager communicate its intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our general policy not to engage with our investee companies in the three weeks prior to an AGM so to not limit our engagement to shareholder meeting topics and vote decisions.
	Summary of the resolution	Elect Director Raul J. Fernandez
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~0.1%
	Outcome of the vote	Pass
	Rationale for the voting decision	Joint Chair/CEO: A vote against is applied as LGIM expects companies not to recombine the roles of Board Chair and CEO without prior shareholder approval.
	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.
	Criteria on which the vote is considered significant?	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 (escalation of engagement by vote).
FTSE Developed Core Infrastructure Index Fund	Company name	Union Pacific Corporation
	Date of vote	22-May-12
	How the manager voted	Against

	Did the manager communicate its intent to the company ahead of the vote?	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
	Summary of the resolution	Elect Director Lance M. Fritz
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~6.1%
	Outcome of the vote	Pass
	Rationale for the voting decision	Joint Chair/CEO: A vote against is applied as LGIM expects companies not to recombine the roles of Board Chair and CEO without prior shareholder approval.
	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.
	Criteria on which the vote is considered significant?	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 (escalation of engagement by vote). LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 we have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 we have voted against all combined board chair/CEO roles.
North America Equity Index Fund	Company name	Apple Inc.
	Date of vote	22-Mar-04
	How the manager voted	For
	Did the manager communicate its intent to the company ahead of the vote?	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.
	Summary of the resolution	Report on Civil Rights Audit
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~6.2%
	Outcome of the vote	Pass
	Rationale for the voting decision	Diversity: A vote in favour is applied as LGIM supports proposals related to diversity and inclusion policies as we consider these issues to be a material risk to companies.
	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.
	Criteria on which the vote is considered significant?	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	Company name	LVMH Moët Hennessy Louis Vuitton SE
	Date of vote	22-Apr-21
	How the manager voted	Against
	Did the manager communicate its intent to the company ahead of the vote?	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.
	Summary of the resolution	Reelect Bernard Arnault as Director
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~2.2%
	Outcome of the vote	Fail
	Rationale for the voting decision	Joint Chair/CEO: A vote against is applied as LGIM expects companies not to combine the roles of Board Chair and CEO. These two roles are substantially different and a division of responsibilities ensures there is a proper balance of authority and responsibility on the board.

	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.
	Criteria on which the vote is considered significant?	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 (escalation of engagement by vote). LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 we have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 we have voted against all combined board chair/CEO roles.
UK Equity Index Fund	Company name	Royal Dutch Shell Plc
	Date of vote	22-May-24
	How the manager voted	Against
	Did the manager communicate its intent to the company ahead of the vote?	Voted in line with management
	Summary of the resolution	Approve the Shell Energy Transition Progress Update
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~6.7%
	Outcome of the vote	Fail
	Rationale for the voting decision	Climate change: A vote against is applied, though not without reservations. We acknowledge the substantial progress made by the company in strengthening its operational emissions reduction targets by 2030, as well as the additional clarity around the level of investments in low carbon products, demonstrating a strong commitment towards a low carbon pathway. However, we remain concerned of the disclosed plans for oil and gas production and would benefit from further disclosure of targets associated with the upstream and downstream businesses.
	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.
	Criteria on which the vote is considered significant?	LGIM considers this vote significant as it is an escalation of our climate-related engagement activity and our public call for high quality and credible transition plans to be subject to a shareholder vote.
Asia Pacific (ex Japan) Developed Equity Index Fund	Company name	Rio Tinto Limited
	Date of vote	22-May-05
	How the manager voted	Against
	Did the manager communicate its intent to the company ahead of the vote?	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.
	Summary of the resolution	Approve Climate Action Plan
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~0.9%
	Outcome of the vote	Fail
	Rationale for the voting decision	Climate change: We recognise the considerable progress the company has made in strengthening its operational emissions reduction targets by 2030, together with the commitment for substantial capital allocation linked to the company's decarbonisation efforts. However, while we acknowledge the challenges around the accountability of scope 3 emissions and respective target setting process for this sector, we remain concerned with the absence of quantifiable targets for such a material component of the company's overall emissions profile, as well as the lack of commitment to an annual vote which would allow shareholders to monitor progress in a timely manner.
	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.
	Criteria on which the vote is considered significant?	LGIM considers this vote significant as it is an escalation of our climate-related engagement activity and our public call for high

Japan Equity Index Fund		quality and credible transition plans to be subject to a shareholder vote.
	Company name	Mitsubishi Corp.
	Date of vote	22-Jun-24
	How the manager voted	For
	Did the manager communicate its intent to the company ahead of the vote?	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.
	Summary of the resolution	Amend Articles to Disclose Greenhouse Gas Emission Reduction Targets Aligned with Goals of Paris Agreement
	Approximate size of fund's holding as at the date of the vote (as % of portfolio)	~1.1%
	Outcome of the vote	Fail
	Rationale for the voting decision	Shareholder Resolution - Climate change: A vote in favour is applied as LGIM expects companies to be taking sufficient action on the key issue of climate change.
	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.
Criteria on which the vote is considered significant?	LGIM considers this vote significant as it is an escalation of our climate-related engagement activity and our public call for high quality and credible transition plans to be subject to a shareholder vote.	

Source: LGIM