

Introduction

This statement sets out how, and the extent to which, the Statement of Investment Principles ('SIP') produced by the Trustee has been followed during the year to **5 April 2024** (the "Scheme Year"), whilst also covering manager engagement and voting information across the Scheme Year. This statement has been produced in accordance with The Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2019 and the guidance published by the Pensions Regulator.

Investment Objectives of the Scheme

The Trustee believes it is important to consider the policies in place in the context of the investment objectives they have set. The objectives of the Scheme included in the SIP are as follows:

DB Section

The Trustee believes its prime objective is to invest the Scheme assets in such a manner that it is likely that the Scheme liabilities can be met.

The estimated liabilities are a series of projected cash flows calculated using assumptions contained in the actuarial valuation. In theory, the matching assets would be a portfolio of UK government bonds that provided the projected cash flows to cover all future economic scenarios. Given the discrete number of UK government bonds available, such a combination is unlikely to exist in practice. It is nonetheless a valid reference point against which to assess investment strategies that can be implemented in practice.

In agreeing to adopt this investment objective, the Trustee has considered the Company's view that some risk should be taken to reduce the cost of providing the benefits which would be expected from adopting a fully matched investment strategy.

There is a broad target benchmark split between asset classes for the DB Section. The strategic framework including benchmarks is outlined in the Investment Implementation Policy Document ('IIPD'). With effect from 1st October 2023, the Trustee is in the process of transitioning the DB Section's investment strategy, and associated benchmark split between asset classes, to a low dependency strategy.

The low dependency strategy notionally splits the DB Section asset allocation between a "liability portfolio" – consisting of global credit, multi-asset credit, UK property, senior private debt, LDI and cash – and an "unallocated portfolio" - consisting of equity, opportunistic private debt and a cash buffer. The primary objective of the liability portfolio is to reduce liability interest rate and inflation risk while broadly aligning the expected liability cash-flows with the expected asset cash-flows. The portfolio has a secondary objective of generating a modest level of return to support the actuarial valuation assumptions. The objective of the unallocated portfolio is to generate additional risk-adjusted returns for the Scheme, which can potentially be used to help meet other pension needs.

The target allocation to the liability portfolio shall be determined such that the assets within it are sufficient to fully-fund the DB Section liabilities of the Scheme on the prevailing valuation basis. Any excess assets will make-up the unallocated portfolio. This target allocation, and the transition to it, is reviewed at least annually.

When considering appropriate investments for the Scheme, the Trustee has obtained and considered the written advice of a suitability qualified investment advisor. The advice received and arrangements implemented are, in the Trustee's opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).

DC Section

The Trustee recognises that members have differing investment needs and that these may change during the course of members' working lives.

The Trustee assumes that most members do not have the knowledge or desire to manage their pension investments. The Trustee regards it as its duty to make available (as the default investment option) a fund which:

- is suitable for most members; and
- is dynamically managed; and
- has a risk and reward profile that reflects the period until its participating members reach retirement age.

The Trustee also regards its duty as making available a range of investment options sufficient to enable members to tailor their investment strategy to their own needs if they wish to do so. The Trustee has the objective of grouping these investments into 'tiers' based on the amount of member involvement required in investment management.

The investment objective of each Target Date fund (default fund) is designed and managed for an investor saving to retire in or around the years stated in its name (the "target date"). The investment manager's aim is to maximise, for a typical such investor, their eventual retirement income while taking account of their decreasing capacity to afford losses as they approach and, possibly, go past the target date of retirement. On retirement, the investor is assumed to use their built-up pension savings to provide pension income from the options available when they retire. The Target Date funds will progressively move from riskier, capital growth-oriented assets such as equities, private debt and property, into lower-risk retirement income protection-oriented assets, such as bonds, as it approaches and passes its target date. The investment manager seeks to ensure that the mix of assets remains appropriate given the Target Date Fund's aim and will also employ a dynamic asset allocation strategy which seeks to mitigate the effects of large market movements without detracting from long-term returns. The manager will manage the Target Date Funds in such a way that, for an individual investing over the whole term of each Target Date Fund, a return of beating inflation over the life of the funds is being targeted.

A review of the default strategy and the performance of the default funds was undertaken in November 2023 against the aims and objectives as set out in the SIP. The review included the following key areas:

- Performance relative to targets in place.
- Types of assets used and levels of diversification.
- Fees & Charges.
- Environmental, social and governance (ESG) integration.

Overall, the review concluded that performance of the default strategy remained consistent with the Trustee's objectives as set out in the SIP and that the Target Date Funds remain an appropriate default investment vehicle for the Scheme. The Trustee decided to incorporate an allocation to private debt within the glidepath to provide further diversification. The Trustee also reviewed the performance objective of the Target Date Funds and this has been agreed as "to provide a real return over the life of the glidepath, whilst managing risk as retirement approaches".

A comprehensive review of the self-select fund options also took place in February 2024. As a result of the review the Trustee agreed to remove a number of funds whilst still maintaining the level of diversification by asset class and manager style. Some funds were also added to the fund range to address certain gaps identified in the review. These changes are due to be implemented in August 2024.

The Trustee also received advice from Mercer in relation to the default investment option for the legacy Additional Voluntary Contribution (“AVC”) assets. Effective from 1 April 2023, all legacy Unit-Linked and With Profit AVC arrangements were closed and all further contributions were redirected to the current DC section default arrangement - the Alliance Bernstein Target Date Funds. The Trustee is in the process of transitioning all of the legacy AVC assets over to the DC section default arrangements.

Trustee review of the SIP for the year ended 5 April 2024

During the year the Trustee reviewed the Scheme’s SIP. The latest revised SIP was agreed in March 2024.

Updates made to the SIP over the year are detailed below.

With respect to the DB Section:

- Including an overview of the low dependency portfolio, the transition plan to it and the framework for utilising surplus.
- Updating the key risk exposures of the Scheme and the policies in place to manage these risks.
- Reflecting the updated currency hedging policy, which reduced the level of overseas developed market equity hedging from 50% to 30%.
- Updating the custodian to Northern Trust, following their appointment in August 2023.
- Removal of the equity protection policy given this is no longer utilised.

With respect to the DC Section:

- Updating the return target for the Target Date Funds from CPI plus 4% p.a. to beating inflation over the lifetime of the fund.
- Reflecting plans to incorporate private markets within the Target Date Funds including the liquidity considerations of doing so.
- Providing additional details on Alliance Bernstein’s incorporation of Environmental, Social and Governance considerations in their management of the Target Date Funds.

The SIP was also updated, for both sections, to outline the Trustee’s Engagement Priorities and definition of Significant Votes which are as follows:

- **Environment:** Climate Change
- **Social:** Human rights including modern slavery
- **Governance:** Executive remuneration

The Trustee consider a vote to be most significant if the holding makes up more than 2% of the relevant fund’s value and:

- It relates to any of the Trustee’s engagement priorities, as set out above; or
- It has a direct financial impact on the company.

Any vote on exposures, irrespective of the purpose of the vote, that make up more than 5% of the relevant fund are considered most significant.

The Trustee consulted with the Company in finalising the SIP. The most recent SIP is available online: www.abfpensions.com/db/sip.

Assessment of how the policies in the SIP have been followed for the year to 5 April 2024

In the opinion of the Trustee, the SIP as at March 2023 that was in place during the Scheme year has been followed throughout the year for both DB & DC Sections.

The information provided in this section highlights the work undertaken by the Trustee during the year for the long-term benefit of the Scheme. It also sets out how this work followed the Trustees' policies in the SIP, relating to the Scheme as a whole and the default investment arrangement. The SIP is available which sets out the policies referenced below.

Requirement 1 – Securing compliance with the legal requirements about choosing investments

Detail of the Trustee's policy:

When considering appropriate investments for the Scheme, the Trustee obtains and considers the written advice of their investment adviser. In the Trustee's opinion this is consistent with the requirements of Section 36 of the Pensions Act 1995.

How the requirements have been met over the year to 5 April 2024:

DB Section: The Trustee receives advice from its investment adviser at the quarterly Investment Sub-Committee meetings. Since the start of the year, advice was provided on a wide range of issues, including:

- A quarterly review of the performance of the DB investment managers.
- Increasing the level of interest rate hedging provided by the Insight Liability Driven Investment ("LDI") portfolio (from 65% to 75% in May 2023 and from 75% to 90% in April 2024).
- Recalculating the Liability Benchmark Portfolio ("LBP") used in managing Insight's LDI portfolio to reflect the 2023 actuarial valuation and latest market conditions, including implementing measures to monitor the accuracy of the LBP.
- Ensuring compliance with the UK EMIR Phase 6 of the Uncleared Margin Rules.
- Commitment to new private debt vintages with Beach Point, Arcmont and Neuberger Berman.
- Production of the Scheme's second Task Force on Climate Related Financial Disclosures report, including carrying out the necessary Trustee training on additional requirements of the report.
- Determining the future evolution of the DB Section's investment strategy to the low dependency portfolio.
- Developing the transition plan, including equity disinvestment programme, to move to the low dependency portfolio over a 3-year transition period.
- Style exposures of the equity portfolio, including the impact the disinvestment programme may have on these exposures.
- Overseas currency hedging policy.

DC Section: The Trustee receives advice from its investment adviser at the quarterly Investment Sub-Committee meetings, as required. Since the start of the year, advice was provided on a wide range of issues, including:

- A quarterly review of the performance of both the default funds and self-select funds against their aims and objectives.
- Inputting into the Scheme's second Task Force on Climate Related Financial Disclosures report;
- The default investment option for future Additional Voluntary Contributions ("AVCs").
- Bulk transfer of legacy unit-linked and with-profits AVCs to suitable DC investment arrangements.
- Strategic review of the Target Date Funds managed by Alliance Bernstein, including the suitability of the performance objective, the de-risking and retirement target, asset allocation and performance.
- A review of the self-select fund options.

Requirement 2 – Kinds of investments to be held

Detail of the Trustee's policy:

DB Section: The Trustee has considered various combinations of assets and investment approaches that might minimise the required degree of risk for a level of return expectation consistent with the Scheme's objectives and liability profile.

DC Section: A range of asset classes are included within the default investment option (within the blended funds used), including developed market equities, emerging market equities, money market investments, and pre-retirement funds. It is the Trustee's policy to utilise both active and passive management within the default investment option, depending on the asset class.

The Trustee has also made available a range of individual self-select fund options for investment in addition to the default investment option. A range of asset classes have been made available, including equities, diversified growth funds, money market investments, gilts, index-linked gilts, corporate bonds and pre-retirement funds. It is the Trustee's policy to offer both active and passive management self-select fund options to members where appropriate, depending on the asset class.

How the requirements have been met over the year to 5 April 2024:

DB Section: On a quarterly basis, the Trustee reviewed its investment strategy. After considering the Scheme's liability profile and requirements of the Statutory Funding Objective, the Trustee considered its appetite for risk (including financially material risks such as Environmental, Social and Governance risks, including climate change). This took account of the Sponsoring Employer's appetite for risk and the strength of the Sponsoring Employer's covenant.

Given the DB Section's funding position, over the course of the Scheme year the Trustee and ABF have agreed to transition the investment strategy to a low-dependency portfolio. The Trustee began this transition in September 2023 and intends to conclude it by the end of 2026. To facilitate this transition the allocation to equities has been reduced over the year, in favour of fixed income assets.

The low dependency strategy notionally splits the DB Section asset allocation between a "liability portfolio" and an "unallocated portfolio". The primary objective of the liability portfolio is to reduce liability interest rate and inflation risk while broadly aligning the expected asset cash-flows with the expected liability cash-flows. The portfolio should also generate a modest level of return to support the actuarial valuation assumptions. The objective of the unallocated portfolio is to generate additional risk-adjusted returns for the Scheme, which can potentially be used to help meet other pension needs.

The low dependency portfolio does not currently utilise any additional asset classes, but instead evolves the allocation between the Scheme's existing asset classes. As such, over the Scheme year the Trustee did not

allocate to any new asset classes. However additional commitments to the Neuberger Berman's Private Debt Fund V, Beach Point Opportunities Fund V and Arcmont Direct Lending Fund IV funds were made.

The Trustee regards this strategic distribution of the assets to be appropriate for the Scheme's objectives and liability profile.

DC Section: The Trustee reviewed the default investment option in November 2023. This review, amongst other items, considered the asset allocation within the Target Date Funds. As a result of the review, the Trustee agreed to include an allocation to private debt to further increase diversification within the glidepath. This is due to be implemented in Q3 2024.

In February 2024 the Trustee reviewed the self-select fund options. The Trustee concluded that the available range of funds could be streamlined whilst continuing to make available a broad range of investments to members. As such the Trustee agreed to remove a number of funds from the range whilst also adding some funds to address certain gaps identified by the review. These changes were implemented in August 2024.

In March 2024, the Trustee decided to map all existing legacy AVC assets to the Alliance Bernstein Target Dated Funds, unless chosen otherwise by the member. This was following advice from Mercer and previous action to re-direct all future AVC contributions into these funds which was actioned in 2023.

The details of the types of investment referenced in the SIP have been updated to reflect the addition of private debt.

Requirement 3 – The balance between different kinds of investments

Detail of the Trustee's policy:

DB Section: The Trustee has considered various combinations of assets and investment approaches that might minimise the required degree of risk for a level of return expectation consistent with the Scheme's objectives and liability profile.

DC Section: Members can combine the investment funds in any proportion to achieve the desired level of return and risk in line with their own attitude towards and tolerance of risk.

Within the default option, the strategic asset allocation is set to achieve the expected return required to meet the objective of the default option.

How the requirements have been met over the year to 5 April 2024:

DB Section: The Trustee reviews the strategic asset allocation on a quarterly basis throughout the year to ensure it meets its objectives based on the changing membership profile.

Under the low dependency strategy, the assets will be notionally split between a "liability portfolio" – consisting of global credit, multi-asset credit, UK property, senior private debt, LDI and cash – and an "unallocated portfolio" - consisting of equity, opportunistic private debt and a cash buffer.

The target allocation to the liability portfolio shall be determined such that the assets within it are sufficient to fully-fund the DB Section liabilities of the Scheme on the prevailing valuation basis. Any excess assets will make-up the unallocated portfolio. This target allocation, and the transition to it, is reviewed at least annually.

To transition to the low dependency portfolio, the allocation to the liability portfolio will increase, funded primarily by a reduction in the equity allocation. To facilitate this transition, the Trustee will disinvest from the equity portfolio monthly, using the proceeds to meet the cash-flow requirements of the DB Section and partially fund the transition. In tandem, the target allocation to global credit and LDI within the liability portfolio will be increased, while the allocation for UK property will be decreased. The Trustee aims to minimise trading and

associated cost during the transition, which is expected to be completed over a three-to-five-year period, allowing for market movements.

DC Section: The Trustee reviewed the default investment option in November 2023. This review, amongst other items, considered the asset allocation within the Target Date Funds. As part of this review, the balance between UK Government Bonds and other asset classes for the At-Retirement allocation was considered and a decision was made to reduce the allocation to UK Government Bonds. It was also agreed to incorporate a private debt allocation to the Target Date Funds. This was implemented following the Scheme year end as detailed above.

The Trustee receives a quarterly investment performance report from AllianceBernstein and Mobius Life, which monitor the performance of the Target Date Funds and self-select funds.

As the assets of the DC section are invested in pooled fund vehicles the investment restrictions applying to these funds are determined by the investment manager. The Trustee is satisfied that the investment managers' policies on investing in individual securities held in each vehicle provides adequate diversification of investments. The investments held within the Scheme are consistent with the policies in the SIP.

Requirement 4 – Risks, including the ways in which risks are to be measured and managed

Detail of the Trustee's policy:

DB Section: The degree of investment risk the Trustee is willing to take depends on the financial health of the DB Section and its liability profile. The Trustee monitors these with a view to altering the investment objectives, risk tolerance and/or return target should there be a significant change in either. The Trustee also regularly considers the strength of the Employer covenant and factors this into the level of risk being considered.

DC Section: The Trustee recognises risk (both investment and operational) from a number of perspectives in relation to the self-select fund options and the default investment option and that the choice and allocation of investments can help to mitigate these risks.

Risk is not considered in isolation, but in conjunction with expected investment returns and retirement outcomes for members. In designing the default option, the Trustee has explicitly considered the trade-off between risk and expected returns.

How the requirements have been met over the year to 5 April 2024:

DB Section: As detailed in the risk table in the SIP, the Trustee considers both quantitative and qualitative measures for these risks when deciding investment policies, strategic asset allocation, the choice of investment managers, funds and asset classes.

Over the Scheme year the Trustee increased the interest rate and inflation hedge ratio – initially from 65% to 75% and later from 75% to 90%. This served to significantly reduce the Scheme's exposure to interest rate and inflation risk. In addition, the Trustee implemented a quarterly framework to monitor the accuracy of the LBP used to implement this hedging.

The Trustee also reviewed the Scheme's currency risk management framework and took a decision to reduce the equity portfolio currency hedge ratio from 50% to 30% of overseas currency exposure. It is expected that this change will reduce the volatility of the Scheme's equity allocation.

The Trustee considered climate change risk as part of the scenario analysis reported within the Scheme's TCFD report. Given the funding level, the DB investment strategy demonstrated robustness with respect to the potential impact of climate change across the scenarios and time-periods considered.

Given the decision to run the DB Section over the medium term, over the coming year the Trustee will consider the key risk exposures of the Scheme, including its reliance upon the Sponsor and how these are best managed.

DC Section: The default investment option manages investment and other risks through a strategic asset allocation consisting of equities, multi-asset funds, private debt, bonds and money market investments.

DB & DC Sections: The Scheme maintains a risk register of the key risks, including the investment risks. This rates the impact and likelihood of the risks and summarises existing mitigations and additional actions.

Within their TCFD report, the Trustee included the results from the 2022 scenario analysis which modelled the exposure of the TDFs to climate risk and engaged the investment manager of the default Target Date Funds, Alliance Bernstein, on its climate intensity reduction target. The DC TDFs were found to be materially impacted by climate risk under a failed transition climate scenario. The Trustee noted the allocation to sustainable investments, which is expected to provide some protection from these risks. Further, Alliance Bernstein considers climate risk amongst other risks as part of the investment strategy decisions.

Requirement 5 – Expected return on investments

Detail of the Trustee's policy:

DB Section: The Trustee selected the strategic benchmark to reflect that the Scheme's liabilities would change in value in a similar manner to changes in the level of the UK government bond markets. The Trustee expects that there will be some return premium above government bonds from non-government bonds (i.e. credit) and a larger return premium from equity and alternative investments such as property. The Trustee expects there will be periods when equities, property and credit underperform government bonds and is prepared (as is the Company) to accept and manage this risk.

DC Section: The funds available are expected to provide an investment return commensurate with the level of risk being taken.

In designing the default, the Trustee has explicitly considered the trade-off between risk and expected returns, to generate returns in excess of inflation during the growth phase and de-risk towards the retirement date to protect funds from significant falls when the timeframes to recover these losses are shorter.

How the requirements have been met over the year to 5 April 2024:

The investment performance reports from investment managers are reviewed by the Trustee on a quarterly basis.

DB Section: The investment performance reports detail how each investment manager is delivering against their specific mandates and benchmarks. The Trustee assesses the performance of all investment managers using both a qualitative and quantitative review. This also includes assessing the diversification of the portfolio in terms of asset type, geographical position and the current inflation environment.

Over the 3 years to 31 March 2024, the Scheme has returned 0.5% p.a. relative to a benchmark return of 2.6% p.a. Over this period the Scheme's funding position has improved as a result of the assets significantly outperforming the liabilities.

DC Section: The review by the Trustee on a quarterly basis includes the risk and return characteristics of the default and the self-select fund options.

The Trustee ensures that performance reports include risk and return metrics when completing their review by monitoring the returns against their aims and objectives. The Trustee also assesses the growth of the funds versus inflation and equity volatility.

The Trustee reviewed the performance of the Target Date Funds as part of a wider review of these portfolios carried out in November 2023. Performance over the past 5-years was found to have been strong relative to comparators, but behind the CPI + 4% p.a. target. The Trustee also reviewed the performance objective of the

Target Date Funds and this has been agreed as “to provide a real return over the life of the glidepath, whilst managing risk as retirement approaches”.

Requirement 6 – Realisation of investments

Detail of the Trustee’s policy:

DB Section: The Trustee considers the liquidity of the investments in the context of the likely needs of member benefits.

DC Section: The Trustee’s administrators will realise assets following member requests on retirement or earlier where required.

How the requirements have been met over the year to 5 April 2024:

DB Section: Most years, due to the maturity of the Scheme, investment income has been used or some assets are sold to meet benefit payments, fund capital calls for the private debt programme or to meet margin calls for the currency hedge programme.

Over the transition period to the low dependency portfolio, which began on 1 October 2023, the majority of the Scheme’s cash flow requirements are to be met from monthly disinvestments from the equity portfolio. This disinvestment programme will also fund an increased allocation to the liability portfolio.

The Trustee recognises that there is liquidity risk in holding assets that are not readily marketable and realisable. Given the long-term investment horizon of the Scheme, the Trustee believes that a degree of liquidity risk is acceptable because it expects to be rewarded for assuming it. The low dependency portfolio is designed to be sufficiently liquid to meet these potential cashflow requirements under stressed scenarios.

Whilst certain funds are not gated (particularly the Property and Private Debt assets), the Trustee has developed strategies for daily liquidity. The diverse asset allocation contains both liquid and illiquid assets to ensure all financial obligations can be met.

In the normal course of events, if a disinvestment is required, the Trustee takes the decision to source the liquidity based on the asset allocation.

DC Section: The Trustee receives an administration report on a quarterly basis to ensure that core financial transactions are processed within SLAs and regulatory timelines. As confirmed in the DC Chair Statement, the Trustee is satisfied that all requirements were met throughout the year with 100% of the SLAs being met.

All funds invest in daily priced pooled investment vehicles, accessed by an insurance contract. This means that the Trustee can readily have access to the cash to settle member obligations. The Trustee therefore has no concerns regarding the liquidity of any of the Scheme’s assets.

Requirement 7 – Financially material considerations over the appropriate time horizon of the investments, including how those considerations are taken into account in the selection, retention and realisation of investments

Detail of the Trustee’s policy:

DB and DC Section common policies: The Trustee considers financially material considerations in the selection, retention and realisation of investments. Consideration of factors such as ESG is delegated to the investment managers.

Investment managers are expected to evaluate these factors, including climate change considerations, then exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.

Items listed in Sections 4.3, 4.4, 4.5 and 5.2 of the SIP are in relation to what the Trustee considers “financially material considerations”.

How the requirements have been met over the year to 5 April 2024:

DB & DC Sections: Each investment manager’s investment report is reviewed for performance by the Trustee on a quarterly basis. The Trustee also considers their ratings (both general and ESG specific) from the Trustee’s investment adviser. All of the investment managers remained highly rated by either the investment adviser or the Investment Committee during the year.

The Scheme’s SIP includes the Trustee’s policy on ESG factors, stewardship and climate change. The Trustee’s policy is to delegate responsibility for exercising of ownership rights (including engagement and voting rights) to the investment managers but acknowledge that any actions taken by the investment managers are on the Trustee’s behalf.

To improve their understanding, the Trustee has undertaken investment training on responsible investment. This was provided by their investment adviser to cover ESG factors, stewardship, climate change and ethical investing. The Trustee also produces an annual TCFD report for the Scheme, in which it considers the Scheme’s exposure to climate risk, through climate related scenario modelling. The Trustee sets carbon intensity reduction targets for the DB Section’s aggregate equity and fixed income portfolios (including the public investment grade credit portfolio), and the DC Target Date Funds for the DC Section. Climate related metric data is also collated and the developments on how the metrics have changed are reported on over the Scheme year.

The Trustee keeps their policies under regular review with the SIP subject to review at least annually.

Where investment managers may not be highly rated from an ESG perspective the Trustee continues to monitor the investment manager closely. When implementing a new investment manager, the ESG rating of the investment manager is considered.

The Trustee acknowledges that investment managers in fixed income may be less likely to have a high ESG rating assigned by the investment adviser due to the nature of the asset class, where it is harder to engage with the issuer of debt.

Requirement 8 – The extent (if at all) to which non-financial matters are taken into account in the selection, retention and realisation of investments

Detail of the Trustee’s policy:

DB and DC Section common policies: Non-financial matters are taken into consideration by the Trustee.

How the requirements have been met over the year to 5 April 2024:

DB & DC Sections: Each quarter the Trustee considers both quantitative and qualitative analysis provided by its investment adviser. This includes detailed analysis of the market cycle to identify opportunities for future investment or risk reduction measures. The Trustee also periodically reviews the appropriateness of offering individual ESG or sustainable investment choices to members.

Requirement 9 – The exercise of the rights (including voting rights) attaching to the investments

Detail of the Trustee’s policy:

DB and DC Section common policies: Investment managers are expected to evaluate these factors (including climate change considerations), exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.

How the requirements have been met over the year to 5 April 2024:

DB & DC Sections: The Trustee has delegated their voting rights to the investment managers.

Investment managers are expected to provide voting summary reporting on a regular basis, at least annually, which includes details of the voting activity of relevant managers, highlighting the most significant votes. The reports are reviewed by the Trustee to ensure that they align with the Trustee's policy.

The Trustee has engagement priorities, which are detailed later in this report and in the SIP, and a definition of what they consider to be significant votes based upon these priorities. An overview of engagement activities is provided later in this Statement.

Requirement 10 – Undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, the Trustee would monitor and engage with relevant persons about relevant matters).

Detail of the Trustee's policy:

DB and DC Section common policies: Investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice. As part of this monitoring, the Trustee may engage with the Scheme's investment managers where appropriate to understand the activity undertaken in relation to the Scheme's engagement priorities. The Trustee has determined their own engagement priorities which are outlined later in this Statement.

Outside of those exercised by investment managers on behalf of the Trustee, no other engagement activities are undertaken.

How the requirements have been met over the year to 5 April 2024:

DB & DC Sections: Investment managers are expected to provide reporting on a quarterly basis and on an annual basis they should provide stewardship monitoring results. These are reviewed by the Trustee to ensure that they are complying with their obligations.

As the Scheme invests in certain pooled funds, the Trustee requires their investment managers to engage with the investee companies on their behalf.

The Trustee believes their investment managers are voting responsibly on their behalf and in line with the Trustee's investment policy.

Requirement 11 – How the arrangement with the investment managers incentivise the investment manager to align their investment strategies and decisions with the Trustee's policies mentioned in sub-paragraph (b) of the legislation (2-8 of this Statement).

Detail of the Trustee's policy:

DB and DC Section common policies: The Trustee's policy on aligning investment manager appointments with the investment strategy is set out in Section 10 of the SIP.

Investment managers are chosen based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class being selected for.

Where the Trustee invests in certain pooled investment vehicles, they accept that they have no ability to specify the risk profile and return targets of the investment manager, but appropriate mandates can be selected to align with the overall investment strategy.

The investment strategy for the segregated mandates is set out in the IIPD.

How the requirements have been met over the year to 5 April 2024:

DB Section: The Trustee continually reviews and amends the mandate for each investment manager where appropriate.

Benchmarks are established for each investment manager against which performance is monitored.

There is a broad target benchmark split between asset classes for the DB Section. The strategic framework including benchmarks is outlined in the IIPD.

DB & DC Sections: The Trustee continually meets with the investment managers to challenge decisions made including voting history and engagement activity to ensure best performance over the medium to long term.

The investment managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed. If the Trustee is dissatisfied, then it will consider replacing the investment manager.

Over the course of the year, the Trustee reviewed the performance of AllianceBernstein, the investment manager of the Target Date Funds.

Requirement 12 – How the arrangement incentivises the investment managers to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt

Detail of the Trustee's policy:

DB and DC Section common policies: The Trustee's policy in relation to incentivising investment managers to consider long-term financial and non-financial performance is set out in section 11 of the SIP.

The Trustee regularly meets with its investment managers and challenges their strategic policies. The Trustee regularly reviews the decisions made by its investment managers and can challenge such decisions to try to ensure the best long-term performance over the medium to long term. Investment managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage. If the Trustee is dissatisfied, then it will look to replace the investment manager.

How the requirements have been met over the year to 5 April 2024:

DB & DC Sections: The Trustee has met with seven of their investment managers at Investment Committee or Trustee Board meetings during the year to discuss matters such as their mandates, performance and appetite for risk.

The Trustee delegates authority to senior management of the pensions department to regularly meet on an ongoing basis with its investment managers to discuss the contractual arrangements it has in place, to ensure they continue to incentivise the investment managers to make decisions based on medium to long term financial and non-financial performance. This ensures each investment manager's target performance is consistently reviewed to match the Trustee's objectives.

Requirement 13 – 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 Trustee's policies mentioned in sub-paragraph (b) of the legislation (2-8 of this Statement).

Detail of the Trustee's policy:

DB and DC Section common policies: The Trustee recognises its time horizon is a long-term proposition as set out in Section 12 of the SIP. As such investment managers are assumed to be held for a suitably long time.

Investment managers' performance net of fees is therefore reviewed over both short and long-term horizons. Remuneration is agreed ahead of the investment manager appointment and is reviewed on a regular basis.

How the requirements have been met over the year to 5 April 2024:

DB & DC Sections: The Trustee receives DB investment performance reports from its investment adviser on a quarterly basis, which present performance information over 1-quarter, 6-month, 1-year, 3-year, 5-year periods and since inception. As well as considering each investment manager's style over the course of an economic cycle, the Trustee reviews absolute performance and in many cases relative performance against a suitable index used as a benchmark. Investment managers are also monitored constantly for qualitative as well as quantitative performance, with a focus on the long-term strategy of the Trustee whilst being mindful of short term returns.

The investment managers are generally remunerated by way of a fee calculated as a percentage of assets under management. This fee basis is reviewed with each investment manager as part of the informal reviews carried out by senior members of the pensions management team. For the DC Section, the self-select fund option review also considered the fees of each manager, and where fees were deemed high, alternative funds were suggested.

Requirement 14 – How the Trustee monitors portfolio turnover costs incurred by the investment managers, and how it defines and monitors targeted portfolio turnover or turnover range.

Detail of the Trustee's policy:

DB and DC Section common policies: The Trustee's policy in relation to the monitoring of portfolio turnover costs is set out in Section 13 of the SIP.

How the requirements have been met over the year to 5 April 2024:

DB & DC Sections: The Trustee asks its investment managers to provide portfolio turnover and turnover costs in their presentations to the Trustee.

The Trustee also receives MiFID II reporting from its investment managers. All reporting is analysed to ensure consistency between reporting periods and any inconsistencies are investigated with the investment manager.

The Trustee has put in place a monthly equity disinvestment programme to minimise transaction costs and spread risk of transitioning the DB Section's investment strategy to the low dependency portfolio.

DC Sections: DC transaction costs are disclosed in the annual DC Chair's Statement. The transaction costs for each fund covers the buying, selling, lending and borrowing of the underlying securities in the fund. An investment manager can also factor in anti-dilution mechanisms into the total transaction costs.

The Trustee is required to assess these costs for value on an annual basis. However, at present, the Trustee notes a number of challenges in assessing these costs:

- No industry-wide benchmarks for transaction costs exist.
- The methodology leads to some curious results, most notably "negative" transaction costs.
- Explicit elements of the overall transaction costs are already considered when investment returns are reported, so any assessment must also be mindful of the return side of the costs.

As noted in the most recent Chair's Statement, dated 5 April 2024, there is little flexibility for the Trustee to impact transaction costs as they invest in pooled funds. While the transaction costs provided appear to be reflective of costs expected of various asset classes and markets that the Scheme invests in, there is not yet any "industry standard" or universe to compare these to. As such, any comments around transaction costs at this stage can only be viewed as speculative. However, the Trustee will continue to monitor transaction costs on an annual basis and assess these costs for value. In particular, the Trustee does undertake charging and cost comparisons with other large pension schemes with publicly available data.

Requirement 15 – The duration of the arrangement with the investment managers

Detail of the Trustee's policy:

DB and DC Section common policies: There is no set duration for the investment manager appointments, with the exception of Private Debt managers. All appointments are regularly reviewed as to their continued suitability and could be terminated either because the Trustee is dissatisfied with the investment manager's ongoing ability to deliver the mandate promised or because of a change of investment strategy by the Trustee.

For Private Debt managers, at the time of appointment the life of the fund is established, however this could be extended in line with the IMA.

How the requirements have been met over the year to 5 April 2024:

DB Section: All investment managers' agreements, except for the Private Debt managers, have no set duration. As at 5 April 2024, the Trustee had invested in 29 private debt funds using a series of vintages via LLP structures for a defined number of years. In accordance with the IMA each Fund can extend the lifetime of the fund for a prescribed time period.

DC Section: The DC investment manager appointments have no set duration. However, if the Trustee is not satisfied with an investment manager, they will ask the investment manager to take steps to rectify the situation. If the investment manager still does not meet the Trustee's requirements, the Trustee will remove the investment manager and appoint another after taking advice and following necessary due diligence.

The available fund range and default investment options are reviewed on at least a triennial basis. An investment manager's appointment may be terminated if it is no longer considered to be optimal and does not have a place in the default strategy or general fund range. No managers were terminated over the course of the year, however the self-select fund options were evolved following a review in February 2024. Some funds are to be removed / added following the Scheme year-end and further detail will be provided in the 2025 Statement.

Engagement and Voting

Voting Policy

The Trustee's policy is to delegate responsibility for exercising of ownership rights (including engagement and voting rights) to the investment managers but acknowledge that any actions taken by the investment managers are on the Trustee's behalf and accept responsibility on those actions.

Engagement Priorities

The Trustee's engagement priorities are based on their belief that ESG issues, across each of the three factors, may have a material impact on investment performance. As such the Trustee has determined what it considers the most salient topic within each of the three ESG factors, as listed below.

Engagement Priority	Rational
Environment: Climate Change	<p>Climate-related financial impacts are driven by the associated transition to a low-carbon economy and the physical damages of different climate outcomes.</p> <p>The Trustee believes climate change issues present risks and opportunities that increasingly may require explicit consideration.</p>
Social: Human rights including modern Slavery	<p>Workforce and supply chain safety and human rights practices should avoid contributing to modern slavery, exploitation and other human rights abuses – these can contribute to economic instability, the threat of social tension and subsequent political instability which, in turn, may have a negative impact on investment performance.</p> <p>The Trustee notes alignment of this priority with the Company's Supplier Code of Conduct and the commitments made therein.</p>
Governance: Executive remuneration	<p>Executives have significant influence over the financial success of the companies which they manage. Therefore, executive remuneration policies can have a meaningful impact on the return of investors in companies. These policies should attract and retain talent whilst ensuring alignment of incentives with company and shareholder objectives.</p>

Significant Votes

The Trustee considers a vote to be most significant if the holding makes up more than 2% of the relevant fund's value and:

- It relates to any of the Trustee's engagement priorities, as set out above; or
- It has a direct financial impact on the company.

Any vote on exposures that make up more than 5% of the relevant fund is also considered most significant, irrespective of the purpose of the vote. The Trustee reports on the most significant votes later in this report.

Engagement and Ownership for DB Investment Strategy

The investments within the DB Investment strategy are segregated between investment managers with equity, bond, property and derivative portfolios. Each investment manager within the equity portfolio is responsible for engaging with the companies within which they invest, as well as exercising the attached ownership rights (i.e. voting powers), to influence corporate policies/behaviours and hold company management to account. The Trustee monitors third-party investment managers' policies and actions to ensure that they align as closely as possible with its own. Some managers within the bond portfolio also hold investments that have voting rights attached to them and these managers are also reported below.

Below are the latest available summary statistics of the equity investment managers' engagement and voting track records, as well as specific examples.

Manager	Engagement	Voting
Artemis	<ul style="list-style-type: none"> Artemis have been unable to provide the primary engagement topics since engagement does not form part of the investment process in the SmartGARP strategy. 	<ul style="list-style-type: none"> 147 meetings eligible to vote at 2,094 total proposals eligible to vote on 100% of eligible votes were cast 91% of votes were with management recommendations 9% of votes were against management 0% of votes were abstained from In 48% of meetings at least one vote was cast against management
Beachpoint	<ul style="list-style-type: none"> Engaged with 15 issuers 22 total recorded engagements The primary engagement topics are split as follows: <ul style="list-style-type: none"> 23% environmental matters 27% on social matters 50% on governance matters 	<ul style="list-style-type: none"> 7 meetings eligible to vote at 45 total proposals eligible to vote on 100% of eligible votes were cast 98% of votes were with management recommendations 2% of votes were against management recommendations 0% of votes were abstained from In 14% of meetings at least one vote was cast against management
Calamos	<ul style="list-style-type: none"> The Calamos Global Team does not presently engage company management with specific activist objectives. 	<ul style="list-style-type: none"> 43 meetings eligible to vote at 864 total proposals eligible to vote on 97.2% of eligible votes were cast 96.4% of votes were with management recommendations 0.8% of votes were against management recommendations 2.8% of votes were abstained from In 14% of meetings at least one vote was cast against management
CQS	<ul style="list-style-type: none"> Engaged with 77 different corporate issuers and banks 87 total recorded engagements 	<ul style="list-style-type: none"> 27 total proposals voted 100% of eligible votes were with management recommendations
Liontrust	<ul style="list-style-type: none"> Engaged 6 fund holdings in 2023. Of these 6 engagements, 67% were on environmental issues, 33% were on social issues, and 33% were on governance issues (this adds up to more than 100% as some engagements had more than one area covered.) 	<ul style="list-style-type: none"> 37 meetings eligible to vote at 704 total proposals eligible to vote on 86.8% of eligible votes were cast 87.2% of votes were with management recommendations 9.1% of votes were against management recommendations 3.7% of votes were abstained from In 66% of meetings at least one vote was cast against management

Manager	Engagement	Voting
Schroders	<ul style="list-style-type: none"> Engaged with 122 global companies 363 total recorded engagements The primary engagement topics are split as follows: <ul style="list-style-type: none"> 69% environmental matters 17% social matters 14% governance matters 	<ul style="list-style-type: none"> 549 meetings eligible to vote at 7,476 total proposals eligible to vote on 93.3% of eligible votes were cast 89.3% of votes were with management recommendations 10.7% of votes were against management recommendations 0% of vote was abstained from In 59.1% of meetings at least one vote was cast against management
Veritas	<ul style="list-style-type: none"> 7 total recorded engagements The primary engagement topics are split as follows: <ul style="list-style-type: none"> 29% environmental matters 29% social matters 42% governance matters 	<ul style="list-style-type: none"> 27 meetings eligible to vote at 509 total proposals eligible to vote on 96% of eligible votes were cast 89% of votes were with management recommendations 10% of votes were against management recommendations 1 vote was abstained from In 62% of meetings at least one vote was cast against management

Specific Examples of Engagement

Engagement Example – Beachpoint

Cuppa Bidco: Engagement with Cuppa Bidco, commercially known as Lipton Teas, was prompted by significant concerns over reported worker unrest and human rights violation claims at their Kenyan tea plantations in Q2 2023. These issues were highlighted in various media reports and investigative journalism, prompting Beachpoint's ESG diligence to understand Cuppa Bidco's response and commitment to addressing these challenges.

The engagement commenced with information gathering through direct conversations with key stakeholders at Cuppa Bidco and Cuppa Bidco's sponsor, CVC. Beachpoint sought clarification on their response to the allegations, including the implementation of remediation plans and improvements in corporate governance practices. Over the course of several months, Beachpoint's approach has evolved from initial information gathering to more proactive engagement and pushing for change, including collaborative efforts with other lenders and stakeholders. Meetings and written communications were integral to understanding the company's policies, actions taken and future commitments.

Through direct and collaborative engagements, Beachpoint believe Cuppa Bidco demonstrated a commitment to addressing the issues raised. They launched comprehensive investigations into the allegations, dismissed individuals involved in misconduct and instituted robust policies to prevent future occurrences. This included enhanced training on sexual harassment prevention, gender equality initiatives and the establishment of oversight committees for governance and compliance. Beachpoint believe these actions have helped mitigate risks while providing transparency and accountability, ultimately enhancing confidence in their ESG framework.

Beachpoint believe the engagement has met their objectives and going forward, they will continue to monitor their progress and advocate for sustained improvements in line with international standards. Their confidence in their proactive approach has influenced our investment decisions positively and they believe the risks are mitigated, making this an attractive position.

Engagement Examples – Calamos

Makemytrip LTD: Makemytrip operates websites that allow travellers to research and plan trips and book airline tickets, hotels, packages, rail tickets, bus tickets and rental cars. In repeated engagements, the Calamos Investment Team discussed some of the company's efforts regarding environmental and social responsibility. Makemytrip has set up cafes in multiple communities in India, to serve as a source of income for local entrepreneurs as they operate and serve their communities. The company has also established an all women-led travel agency in India. Lastly, Makemytrip is providing clean water dispensers in India, aimed at reducing the volume and usage of single-use plastic bottles.

Hitachi LTD: Hitachi manufactures communications and electronic equipment, heavy electrical machinery, industrial machinery and consumer electronics. In recent meetings, the Calamos Investment Team discussed the company's focus on developing a strong governance structure across the company, as recent strategic acquisitions have translated to a larger, more complex global organisation. Hitachi has made changes in the past few years, intended to improve board independence. From an environmental perspective, the company is a key enabler for the green energy transformation with their high voltage transmission distribution portfolio. Hitachi is committed to continued efforts to improve the efficiency of water and other resources over the next 25 years.

Taiwan Semiconductor Manufacturing Co Ltd (TSMC): TSMC is the global leading semiconductor foundry. The Calamos Investment Team engaged management regarding the company's strategy to successfully diversify manufacturing facilities outside of Taiwan to other countries. This strategy's objective is two-fold: mitigate geopolitical risk for its clients, while maintaining technological leadership and ability to enable client success. To achieve this, TSMC focuses on remaining the most cost-effective and efficient leading-edge supplier in every geography in which the company competes. An example is their approach to the development of its Arizona manufacturing facilities, where TSMC has hired more than 1,000 employees in the US, but all spent 6+ months in Taiwan for training aimed at immersing the Arizona team in the corporate culture which provide the foundation for TSMC's success.

Engagement Examples – CQS

Douglas: CQS have been supporting Douglas, an international retail group, in developing a strong ESG framework, specifically with respect to climate change. CQS takes a three-pronged approach to engagement. This includes targeted engagement programmes, day-to-day engagement as part of the research function and collaborative engagement. As part of the 2023 CDP Non-Disclosure Campaign, which CQS was a public supporter of, they sent a letter to Douglas on behalf of 288 investors representing US\$29 trillion in assets to encourage them to complete the CDP Climate questionnaire. Despite the company telling CQS they would not complete the CDP Climate questionnaire, they agreed to continue to evolve their ESG strategy so they can be able to complete the questionnaire in the future.

The firm currently has targets to reduce 50% of scope 1 and 2 carbon emissions by 2025 using a 2019 baseline. They also informed CQS of plans to include scope 3 emissions in targets and get third party validation from the Science Based Targets initiative. However, these plans are still in the development stage so CQS will continue to push and closely monitor. They confirmed that they had a turnover rate of 24% across all 26 countries for FY20/21 and they are preparing an updated ESG report which will provide data for the current FY and previous. This will enable comparability between their turnover rates.

Engagement – Liontrust

Industria de Diseno Textil – Liontrust engaged with the Spanish multinational clothing company following accusations that the group had changed its tolerance stance for human rights abuse – removing a statement for its Zara brand that it would not tolerate human rights abuses. During engagement, Inditex related that it retains its no tolerance policy, that it has oversight of its supply chain with monitors and auditors on the ground, that it enforces its code of conduct for supplies, and that 98% of its products are sourced from A and B rated suppliers. This engagement provided the team with enough comfort to initiate a position.

Engagement – Schroders

The Brazilian Financial and Capital Markets Association (ANBIMA) – Schroders assisted ANBIMA in reviewing their ESG rules. It involved not only expanding them to cover multi-market funds but also providing insights related to private equity and real estate funds. In addition to this, Brazil also adapted some local funds in accordance with ANBIMA ESG rules, which led to the adaptation of fund bylaws, the adjustment of ESG materials and disclosure of information. A new investment fund rule from the Brazilian Securities and Exchange Commission (CVM/regulator) – Resolution CVM No 175 – came into force last year, defining the rules for ESG funds in line with ANBIMA rules. In Argentina, Schroder’s focus has been on sustainability campaigns aimed at marketing and raising awareness of the topic through talks with universities. Sustainability is still a relatively new concept in Argentina, but they anticipate that this year we will see increased engagement with the regulator. Schroders are committed to furthering our sustainability efforts and look forward to exploring new opportunities in this area.

Engagement – Veritas

The Cooper Companies – Veritas scheduled a meeting with The Cooper Companies before the May 2022 AGM to discuss their climate strategy. Cooper Companies assured them that they were working on calculating Scope 3 emissions, with plans to disclose them to investors and the CDP in May 2023, along with aligning with the TCFD framework and setting science-based targets. However, upon reviewing the latest CDP submission and Sustainability report in May 2023, Veritas noticed some key discrepancies. Namely, the 2022 sustainability report did not mention any targets and redirected investors to the 2020 report for climate strategy details. Scope 3 emissions were not disclosed in the recent sustainability report or the annual CDP submission and Scope 1+2 emissions lacked independent verification. Furthermore, there was no mention of reporting according to the TCFD framework or establishing science-based targets, contrary to expectations. In the meeting held in July 2023, Veritas raised these concerns with Cooper Companies’ ESG Team, and they acknowledged that they hadn’t met the timeline for these actions. The lack of progress was attributed to personnel changes within the team. As a result of the discrepancies, Cooper Companies remains one of the laggards in the portfolio to finalise its climate strategy. Veritas plan to address their concerns and recommend necessary actions in a letter to the CEO, Albert G. White III.

Engagement and Ownership for DC Default Strategy

The investments within the default strategy are accessed via third-party investment funds - most are managed by BlackRock and Amundi. These investment managers are responsible for engaging with the companies within which they invest, as well as exercising the attached ownership rights (i.e. voting powers), to influence corporate policies/behaviours and hold company management to account. Alliance Bernstein (“AB”) monitors third-party investment managers’ policies and actions to ensure that they align as closely as possible with their own. AB meet with each manager quarterly on ESG including on the topic of Stewardship. They receive their voting data quarterly and are increasingly also receiving detailed engagement content.

Below are the latest available summary statistics of the investment managers’ engagement and voting track records.

Manager	Engagement	Voting
BlackRock	<ul style="list-style-type: none"> Engaged with 2,560 global issuers 3,768 total recorded engagements Engagements by key priority / theme: <ul style="list-style-type: none"> Board quality and effectiveness – 2,205 Strategy, purpose, and financial resilience – 2,562 Incentives aligned with financial value creation – 1,495 Climate and natural capital – 1,402 Company impacts on people – 1,353 	<ul style="list-style-type: none"> 18,299 meetings voted 170,828 total proposals voted 12% of votes were against management 9% of votes were in favour of shareholder proposals <ul style="list-style-type: none"> 6% of Climate / Natural Capital - related shareholder proposals supported 4% of Social/Health/Human Rights-related shareholder proposals supported 12% of Governance related shareholder proposals supported
Amundi	<ul style="list-style-type: none"> Engaged with 2,531 global issuers Engagements by key priority / theme: <ul style="list-style-type: none"> Climate – 1,471 Natural capital preservation – 618 Human Rights and human capital - 795 	<ul style="list-style-type: none"> 10,357 meetings voted 109,972 total proposals voted 24% of votes were against management 64% of votes were in favour of shareholder proposals <ul style="list-style-type: none"> 88% of Environment/Climate-related shareholder proposals supported 83% of Social/Health/Human Rights-related shareholder proposals supported

Voting and engagement metrics cover the year to 31 December 2023 and represent the aggregate of Blackrock and Amundi exposures held by AB, not only the underlying funds that the ABF Target Date Funds invest in. The ABF Target Date Fund is an investment vehicle that invests in a range of different assets that evolve over time in terms of a risk/return profile, targeting a retirement age of 65 in the default case.

Source: BlackRock, Amundi, AllianceBernstein.

Specific Examples of Engagement Activity

Engagement Example 1 – Climate Change – ENEL (Amundi)

Corporate: Italian-based multinational producer and distributor of electricity

Engagement reason: To discuss risk assessment process, identification and project guidelines of biodiversity risks with ENEL.

The utilities sector has direct impacts on biodiversity and increasing demand of diversifying energy sources pose new challenges to the ecosystems and biodiversity protection. Amundi initiated biodiversity engagement with ENEL in 2021 recognising the company already had a biodiversity policy in place. During the process, Amundi encouraged ENEL to increase transparency and details in biodiversity-related disclosures. Key objectives include quantitative monitoring, standardised reporting and establishment of concrete targets.

The company made significant progress over the three years of dialogue in addressing the need for enhanced transparency and standardisation, including renewed biodiversity policy, detailed disclosure of main impact factors including mitigation actions and quantitative targets related to the reduction of emissions, waste generation and biodiversity losses. The company has supported several disclosure industry campaigns and aligns its company policy with Science Based Targets Network (SBTN) and other guidelines.

Engagement Example 2 – Executive Remuneration – Koninklijke Ahold Delhaize (Blackrock)

Corporate: A Dutch headquartered European retailer and wholesaler

Engagement reason: Blackrock had been concerned about limited transparency in the company's executive pay policies and did not support management's recommendation to approve remuneration reports in 2020 and 2021.

Blackrock further engaged with Ahold Delhaize around executive remuneration issues and performance-based metrics. The company shared its intentions to update shareholding requirements, rebalance performance-based components and to enhance remuneration disclosures ahead of the April 2022 AGM. Blackrock supported those changes.

Blackrock followed up with the company's board members and senior management team in 2023 to discuss executive leadership changes and related remuneration disclosures. Ahold Delhaize's annual reports now disclose more details on factors considered in the remuneration policy and enhanced focus on long-term incentives. Blackrock supported an advisory vote to approve the remuneration report in recognition of the progress that the company has made in addressing previous concerns at the 2023 AGM.

Engagement and Ownership for DC Self Select Funds

Due to the number of DC Self Select Funds in the Scheme, it would not be possible to disclose all the voting information from the external investment managers in this statement and given the vast majority of assets and members (circa 98%) are invested in the Target Date Funds, the Trustee has elected to focus on these assets. The Trustee has not specified additional voting and engagement behaviours for these Funds as the voting and engagement for the Funds is outsourced for the DC Self Select Funds investment managers to carry it out.

Engagement and Ownership of Legacy AVC Funds

Due to the nature of the Legacy AVC Funds, it has not been possible to obtain the information from the policies which are mainly with-profit insurance policies. The Trustee has not specified additional voting and engagement behaviours for these Funds as the voting and engagement for the Funds is outsourced for the Legacy AVC Funds investment managers to carry it out.

Most Significant Votes

The Trustee's definition of a significant vote is provided in a previous section of this Statement. The most significant votes are considered to be all significant votes made by the top three holdings within each mandate. The table below lists the most significant votes cast over the year.

The Trustee delegates the responsibility for the exercising of voting rights attached to the Scheme's investments to its appointed investment managers. As such the Trustee does not use the direct services of a proxy voter. However, the Scheme's investment managers do utilise proxy voting providers, many of which use a custom voting policy and with final say on any votes determined by the investment manager.

Manager	Vote Information	Outcome
Calamos	Company: NVIDIA Corp Date of vote: 02/06/2023 Resolution summary: Advisory Vote on Executive Compensation Reason for significance of vote: Executive remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.22%	How the manager voted: For Rationale for vote decision: In-line with proxy voting policy Vote Outcome: Approved Implications: None provided
	Company: NVIDIA Corp Date of vote: 02/06/2023 Resolution summary: Frequency of Advisory Vote on Executive Compensation Reason for significance of vote: Executive remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.22%	How the manager voted: For – 1 Year Rationale for vote decision: In-line with proxy voting policy Vote Outcome: Approved Implications: None provided
	Company: Microsoft Corporation Date of vote: 17/11/2023 Resolution summary: Advisory Vote on Executive Compensation Reason for significance of vote: Executive remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.38%	How the manager voted: For Rationale for vote decision: In-line with proxy voting policy Vote Outcome: Approved Implications: None provided
	Company: Microsoft Corporation Date of vote: 17/11/2023 Resolution summary: Frequency of Advisory Vote on Executive Compensation Reason for significance of vote: Executive remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.38%	How the manager voted: For Rationale for vote decision: In-line with proxy voting policy Vote Outcome: Approved Implications: None provided
	Company: Microsoft Corporation Date of vote: 17/11/2023 Resolution summary: Shareholder Proposal Regarding Report on Climate Risk In Employee Retirement Options Reason for significance of vote: Climate Change	How the manager voted: Against Rationale for vote decision: In-line with proxy voting policy Vote Outcome: Not Approved Implications: None provided

	<p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.38%</p>	
	<p>Company: Microsoft Corporation Date of vote: 17/11/2023 Resolution summary: Shareholder Proposal Regarding Report on Siting in Countries of Significant Human Rights Concern Reason for significance of vote: Human Rights Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.38%</p>	<p>How the manager voted: Against Rationale for vote decision: In-line with proxy voting policy Vote Outcome: Not Approved Implications: None provided</p>
	<p>Company: ASML Holding NV Date of vote: 04/06/2023 Resolution summary: Remuneration Report Reason for significance of vote: Executive Remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 2.68%</p>	<p>How the manager voted: For Rationale for vote decision: In-line with proxy voting policy Vote Outcome: Approved Implications: None provided</p>
	<p>Company: ASML Holding NV Date of vote: 04/06/2023 Resolution summary: Long-Term Incentive Plan; Authority to Issue Shares Reason for significance of vote: Executive Remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 2.68%</p>	<p>How the manager voted: For Rationale for vote decision: In-line with proxy voting policy Vote Outcome: Approved Implications: None provided</p>
Liontrust	<p>Company: Hermes International Date of vote: 20/04/2023 Resolution summary: Approve Compensation of Eric de Seynes, Chairman of the Supervisory Board Reason for significance of vote: Executive remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 3.13%</p>	<p>How the manager voted: Against Rationale for vote decision: Conflict of interest underpins the remuneration Vote Outcome: Approved Implications: None provided</p>
	<p>Company: Jeronimo Martins SGP Date of vote: 20/04/2023 Resolution summary: Approve remuneration policy Reason for significance of vote: Executive remuneration</p>	<p>How the manager voted: For Rationale for vote decision: The policy does not establish any framework for salary increase, which has led the remuneration committee to increase the CEO's salary by 65 percent over the last three years. The</p>

	<p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 2.94%</p>	<p>company's contributions to the CEO's pension scheme (2022: 64 percent of salary) are deemed excessive in view of market standards. There is no malus or clawback provisions. The company does not defer variable remuneration, which conflicts with local best practice.</p> <p>Vote Outcome: Approved</p> <p>Implications: None provided</p>
	<p>Company: Intercontinental Hotels</p> <p>Date of vote: 05/05/2023</p> <p>Resolution summary: Approve Remuneration Report</p> <p>Reason for significance of vote: Executive remuneration</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 2.34%</p>	<p>How the manager voted: Against</p> <p>Rationale for vote decision: The maximum LTIP opportunities are being increased, resulting in a material uplift of the Executive Directors' quantum that is not accompanied by sufficiently compelling rationale.</p> <p>Vote Outcome: Approved</p> <p>Implications: None provided</p>
	<p>Company: Renault</p> <p>Date of vote: 11/05/2023</p> <p>Resolution summary: Approve remuneration policy of CEO.</p> <p>Reason for significance of vote: Executive remuneration</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 2.12%</p>	<p>How the manager voted: Against</p> <p>Rationale for vote decision: The company does not provide a compelling rationale to support the allocation either for a 30% additional allocation in Renault shares, or the equivalent in Ampere shares. The company proposes once again to grant the CEO the co-investment plan during FY2023 without a compelling explanation. The executive could receive the full portion of the unvested awards without application of a pro-rata in the event of retirement.</p> <p>Vote Outcome: Approved</p> <p>Implications: None provided</p>
	<p>Company: Dassault Aviation</p> <p>Date of vote: 16/05/2023</p> <p>Resolution summary: Approve remuneration policy of Chairman and CEO</p> <p>Reason for significance of vote: Executive remuneration</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 3.15%</p>	<p>How the manager voted: Against</p> <p>Rationale for vote decision: The company fails to disclose base salaries for FY23. The remuneration policies are disproportionately focused on short-term. The company does not disclose a rationale for the increases in the number of shares awarded. The company does not disclose a cap for LTIP in case of overperformance. There is no information on termination packages under suspended employment contract. There is no information on post mandate vesting.</p> <p>Vote Outcome: Approved</p> <p>Implications: None provided</p>

	<p>Company: Banco Santander</p> <p>Date of vote: 21/03/2024</p> <p>Resolution summary: Approve remuneration policy</p> <p>Reason for significance of vote: Executive remuneration</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 2.64%</p>	<p>How the manager voted: Against</p> <p>Rationale for vote decision: An increase in the chair pay package will likely exacerbate existing pay-for-performance concerns</p> <p>Vote Outcome: Approved</p> <p>Implications: None provided</p>
	<p>Company: BP</p> <p>Date of vote: 27/04/2023</p> <p>Resolution summary: Approve Shareholder Resolution on Climate Change Targets</p> <p>Reason for significance of vote: Climate change</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 3.26%</p>	<p>How the manager voted: Against</p> <p>Rationale for vote decision: This proposal was not supported by management. The Company argues that one area of strategy cannot be assessed in isolation. There is a risk that passing this resolution would represent constraints for the Board as it would be a change in strategy from the one developed by the Board.</p> <p>Vote Outcome: Against</p> <p>Implications: None provided</p>
	<p>Company: TotalEnergies</p> <p>Date of vote: 26/05/2023</p> <p>Resolution summary: Approve the Company's Sustainable Development and Energy Transition Plan</p> <p>Reason for significance of vote: Climate change</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 1.82%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: This proposal supported the group's strategy and was backed by the board and senior management.</p> <p>Vote Outcome: Against</p> <p>Implications: None provided</p>
Veritas	<p>Company: Mastercard Incorporated</p> <p>Date of vote: 27/06/2023</p> <p>Resolution summary: Report on Lobbying Payments and Policy</p> <p>Reason for significance of vote: Financial Impact</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 6.2%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted, as additional disclosure of the company's direct and indirect lobbying-related expenditures would help shareholders better assess the risks and benefits associated with the company's participation in the public policy process.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
	<p>Company: Alphabet Inc.</p> <p>Date of vote: 02/06/2023</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted as the more rigorous guidelines recommended by the proponent</p>

	<p>Resolution summary: Adopt Share Retention Policy for Senior Executives</p> <p>Reason for significance of vote: Financial Impact</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 5.8%</p>	<p>may better address concerns about creating a strong link between the interests of top executives and long-term shareholder value.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
	<p>Company: Alphabet Inc.</p> <p>Date of vote: 02/06/2023</p> <p>Resolution summary: Advisory Vote on Say on Pay Frequency</p> <p>Reason for significance of vote: Financial Impact</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 5.8%</p>	<p>How the manager voted: One Year</p> <p>Rationale for vote decision: A vote for the adoption of an annual say-on-pay frequency is warranted. Annual say-on-pay votes are considered a best practice as they give shareholders a regular opportunity to opine on executive pay.</p> <p>Vote Outcome: Pass</p> <p>Implications: None provided</p>
	<p>Company: Alphabet Inc.</p> <p>Date of vote: 02/06/2023</p> <p>Resolution summary: Advisory Vote to Ratify Named Executive Officers' Compensation</p> <p>Reason for significance of vote: Financial Impact</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 5.8%</p>	<p>How the manager voted: Against</p> <p>Rationale for vote decision: Red Line G20 Performance-based awards do not have a minimum performance period of 3 years. Bonuses being awarded despite decline in the company's performance. Inappropriate use of discretion. In addition: A number of concerns are noted in the annual pay program for non-CEO NEOs. First, an annual bonus program was established based on ESG goals. However, pre-set goals were not disclosed, with the proxy only noting performance achievements after the fact, with the award appearing to pay out based on the committee's discretionary assessment of performance. Though the ESG bonus pay-out was halved at the committee's discretion due to "macroeconomic conditions", NEO base salaries were increased in FY22 and are relatively high. Further concerns are noted in the annual LTI programme, which inexplicably switched to an LTI mix predominantly in time-vested equity in FY22, with no rationale for the change disclosed in the proxy. On top of that, two NEOs received equity grants with values more than the total median CEO pay for the company's peer group. The relative TSR target was non-rigorous, and no vesting cap was disclosed if absolute TSR were to be negative over the performance period. CEO Pichai received a triennial equity grant in FY22, which, even on a per-year annualized basis, was relatively large compared to peers. Merely 60 percent of the award was in</p>

		<p>performance equity, half of which utilized a two-year performance period. Though the target goal was rigorous, in situations where an equity grant is intended to cover multiple years of equity, shareholders prefer that a significant percentage of the grant be in performance equity with a long-term performance period. Additionally, due to a combination of award structure and total magnitude, even with relative TSR performing well-below target, CEO Pichai would realise substantially more pay than a significant portion of his CEO peers, undermining a pay-for-performance philosophy.</p> <p>Vote Outcome: Pass</p> <p>Implications: None provided</p>
	<p>Company: Alphabet Inc.</p> <p>Date of vote: 02/06/2023</p> <p>Resolution summary: Approve Recapitalisation Plan for all Stock to Have One-vote per Share</p> <p>Reason for significance of vote: Financial Impact</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 5.8%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted as it would convey to the board non-affiliated shareholders' preference for a capital structure in which the levels of economic ownership and voting power are aligned.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
	<p>Company: Alphabet Inc.</p> <p>Date of vote: 02/06/2023</p> <p>Resolution summary: Report on Alignment of YouTube Policies with Online Safety Regulations</p> <p>Reason for significance of vote: Financial Impact</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 5.8%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted, as increased reporting would provide shareholders with more information on the company's management of related risks.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
	<p>Company: Alphabet Inc.</p> <p>Date of vote: 02/06/2023</p> <p>Resolution summary: Report on Lobbying Payments and Policy</p> <p>Reason for significance of vote: Financial Impact</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 5.8%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted. Shareholders would benefit from increased disclosure regarding how the company is managing human rights-related risks in high-risk countries.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
	<p>Company: Alphabet Inc.</p> <p>Date of vote: 02/06/2023</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted, as shareholders would benefit from increased disclosure regarding</p>

	<p>Resolution summary: Report on Risks of Doing Business in Countries with Significant Human Rights Concerns</p> <p>Reason for significance of vote: Human Rights</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 5.8%</p>	<p>how the company is managing human rights-related risks in high risk countries.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
	<p>Company: VINCI SA</p> <p>Date of vote: 13/04/2023</p> <p>Resolution summary: Elect Ronald Kouwenhoven as Representative of Employee Shareholders to the Board</p> <p>Reason for significance of vote: Financial Impact</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 5.3%</p>	<p>How the manager voted: Abstain</p> <p>Rationale for vote decision: ISS recommend that Veritas vote against both employee shareholder nominees (resolution 8 and 9) as only one can get elected. Looking at the two candidates we think Agnes Daney de Marcillac is better qualified and in addition adds to board diversity. Therefore, I propose we vote in favour of her and abstain on item 9 (the other proposed employee shareholder representative Ronald Kouwenhoven).</p> <p>Vote Outcome: N/A</p> <p>Implications: None provided</p>
	<p>Company: Amazon.com, Inc.</p> <p>Date of vote: 24/05/2023</p> <p>Resolution summary: Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining</p> <p>Reason for significance of vote: Human Rights</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.7%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted. Shareholders would benefit from increased transparency and disclosure on how the company is managing human rights-related risks.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
	<p>Company: Amazon.com, Inc.</p> <p>Date of vote: 24/05/2023</p> <p>Resolution summary: Commission Third Party Study and Report on Risks Associated with Use of Recognition</p> <p>Reason for significance of vote: Human Rights</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.7%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted. Shareholders would benefit from increased transparency and disclosure on how the company is managing human rights-related risks.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
	<p>Company: Amazon.com, Inc.</p> <p>Date of vote: 24/05/2023</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted at this time. The request</p>

<p>Resolution summary: Report on Climate Lobbying</p> <p>Reason for significance of vote: Climate Change</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.7%</p>	<p>is not considered overly onerous or prescriptive and shareholders would benefit from greater transparency of the company's direct and indirect climate lobbying, along with how the company would plan to mitigate any risks that might be identified.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
<p>Company: Amazon.com, Inc.</p> <p>Date of vote: 24/05/2023</p> <p>Resolution summary: Report on Efforts to Reduce Plastic Use</p> <p>Reason for significance of vote: Climate Change</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.7%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted, as shareholders would benefit from additional information on how the company is managing risks related to the creation of plastic waste.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
<p>Company: Amazon.com, Inc.</p> <p>Date of vote: 24/05/2023</p> <p>Resolution summary: Report on Impact of Climate Change Strategy Consistent with Just Transition Guidelines</p> <p>Reason for significance of vote: Climate Change</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 4.7%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted, as shareholders would benefit from more disclosure on whether and how the company considers human capital management and community relations issues related to the transition to a low-carbon economy as part of its climate strategy.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
<p>Company: Bio-Rad Laboratories, Inc.</p> <p>Date of vote: 25/04/2023</p> <p>Resolution summary: Report on Political Contributions and Expenditures</p> <p>Reason for significance of vote: Climate Change</p> <p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 2.8%</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this resolution is warranted, as increased disclosure of the company's indirect political contributions through all trade associations and other tax-exempt organizations could help shareholders more comprehensively evaluate the company's management of related risks and benefits.</p> <p>Vote Outcome: Fail</p> <p>Implications: None provided</p>
<p>Company: Microsoft Corporation.</p> <p>Date of vote: 7/12/2023</p> <p>Resolution summary: Report on Risks of Operating in Countries with Significant Human Rights Concerns</p> <p>Reason for significance of vote: Human Rights</p>	<p>How the manager voted: For</p> <p>Rationale for vote decision: A vote for this proposal is warranted. Shareholders would benefit from increased disclosure regarding how the company is managing human rights-related risks in high-risk countries.</p> <p>Vote Outcome: Fail</p>

	<p>Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 2.6%</p>	<p>Implications: None provided</p>
	<p>Company: Meta Platforms, Inc. Date of vote: 31/05/2023 Resolution summary: Report on Framework to Assess Company Lobbying Alignment with Climate Goals Reason for significance of vote: Climate Change Approximate Size of fund's /mandate's holding as the date of the vote (as % of portfolio): 2.3%</p>	<p>How the manager voted: For Rationale for vote decision: A vote for this proposal is warranted at this time. The request is not considered overly onerous or prescriptive, and shareholders would benefit from greater transparency of the company's direct and indirect climate lobbying, and how the company would plan to mitigate any risks that might be identified. Vote Outcome: Fail Implications: None provided</p>
DC Target Date Fund – Amundi MSCI Emerging Markets	<p>Company: Bid Corp Ltd. Date of vote: 22/11/2023 Resolution summary: Report on Remuneration Policy Reason for significance of vote: Executive Remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of underlying portfolio within the Target Date Funds): 2.6%</p>	<p>How the manager voted: For Rationale for vote decision: None Provided Vote Outcome: Rejected Implications: None provided</p>
	<p>Company: Bid Corp Ltd. Date of vote: 22/11/2023 Resolution summary: Report on Issuance by BYD Electronic (International) Company Limited of Equity or Equity-Linked Securities without Pre-emptive Rights Reason for significance of vote: Executive Remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of underlying portfolio within the Target Date Funds): 2.6%</p>	<p>How the manager voted: Against Rationale for vote decision: The company has not disclosed sufficient information to enable support of the proposal. Vote Outcome: Accepted Implications: None provided</p>
	<p>Company: BYD Company Limited Date of vote: 08/06/2023 Resolution summary: Report on Remuneration Policy Reason for significance of vote: Executive Remuneration</p>	<p>How the manager voted: For Rationale for vote decision: None Provided Vote Outcome: Accepted Implications: None provided</p>

	Approximate Size of fund's /mandate's holding as the date of the vote (as % of underlying portfolio within the Target Date Funds): 2.6%	
DC Target Date Fund – Amundi MSCI China ESG Leaders	Company: BYD Company Ltd. Date of vote: 19/09/2023 Resolution summary: Approve Remuneration of Directors Reason for significance of vote: Executive Remuneration Approximate Size of fund's /mandate's holding as the date of the vote (as % of underlying portfolio within the Target Date Funds): 4.5%	How the manager voted: For Rationale for vote decision: None provided Vote Outcome: Accepted Implications: None provided

Note: No significant votes were cast over the year within the Artemis, BeachPoint, CQS or Schroders mandates within the DB Section of the Scheme. This is within expectations since due to the number of holdings, Schroders and Artemis do not have any votes meeting the 2% threshold for a significant vote. As a fixed income and credit multi asset manager respectively, Beachpoint and CQS have limited exposure to equities in their funds. For the small number of equity positions they do have, the Fund tends to hold little of the issued amounts and voting shares, and thus have fewer opportunities to cast “significant” votes.

Within the DC Target Date Funds BlackRock are currently unable to provide the percentage holding in the underlying fund and so no significant votes are listed in this report for these funds.