

Implementation Statement, covering the Scheme Year from 1 April 2024 to 31 March 2025

The Trustee of the UBM Pension Scheme (the “Scheme”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed its Statement of Investment Principles (“SIP”) during the Scheme Year, as well as details of any review of the SIP during the Scheme Year, subsequent changes made with the reasons for the changes, and the date of the last SIP review. Information is provided on the last review of the SIP in Section 1 and on the implementation of the SIP in Sections 2-8 below.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, the Trustee (including the most significant votes cast by the Trustee or on its behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 9 below.

In preparing the Statement, the Trustee has had regard to the [guidance](#) on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions (“DWP’s guidance”) in June 2022.

This Statement is based on the Scheme’s SIP which was in place during the Scheme Year – dated August 2023.

This Statement should be read in conjunction with the SIP which can be found here: [Statement of Investment Principles](#).

1. Introduction

No review of the SIP was undertaken during the Scheme Year. Please note however that the Trustee reviewed and updated the Scheme’s SIP in June 2025, after the Scheme Year end.

The Trustee has, in its opinion, followed all of the policies in the Scheme’s SIP during the Scheme Year. The following Sections provide detail and commentary about how and the extent to which it has done so.

2. Investment objectives

In relation to the DB section of the Scheme, the Trustee’s primary objectives are:

- that the Scheme should be able to meet benefit payments as they fall due; and
- that the Scheme’s funding position (ie the value of its assets relative to the assessed value of its liabilities) should be at an appropriate level.

Progress against the Scheme’s statutory Technical Provisions liability basis and an informal long-term self-sufficiency basis is reviewed as part of the quarterly performance monitoring reports provided by the Trustee’s investment adviser and regular funding updates from the Scheme Actuary. As at 31 March 2025 the Scheme was fully funded on both its Technical Provisions basis and its informal long-term funding target basis. In addition, the Trustee remains comfortable that the level of risk and expected return remains appropriate.

The Trustee has in place a cash flow policy to ensure benefit payments are met and this was followed over the Scheme Year. The cashflow position was monitored on a monthly basis by the Scheme’s administrators with disinvestments arranged as required.

The Trustee’s objective for the DC section of the Scheme is to provide members with access to an appropriate range of investment options, reflecting the membership profile and the variety of ways that members may draw their benefits in retirement from the Scheme. The DC section of the Scheme is closed to new members and new contributions from existing members. There is no default investment arrangement. The Scheme is not used as a qualifying scheme for automatic enrolment purposes.

The Trustee has made available a self-select fund range to members covering all major assets classes. The Trustee selected the range of investments taking into consideration the members’ demographics and the variety of ways that members may draw benefits in retirement from the Scheme and to enable appropriate diversification. The Trustee monitors the funds offered to members (including an assessment of performance, charges and any changes to the funds) through an annual report produced by the Trustee’s investment adviser. Over the Scheme year, there were no material changes.

3. Investment strategy

The Trustee, with the help of its advisers and in consultation with the sponsoring employer, reviewed the DB Section's investment strategy at various points during the Scheme Year and agreed to implement the following changes:

- In June 2024, the Trustee agreed to submit redemption requests for part of the Scheme's long lease property allocation, with the intention of bringing this allocation down to around 5% of total Scheme assets. Proceeds from the redemption requests will be paid out gradually, as underlying properties are sold.
- In November 2024, the Trustee agreed to move the Scheme's existing buy and maintain credit allocation into the Scheme's bespoke Liability Driven Investment ("LDI") Fund. This has a number of benefits, including more efficient management of the Scheme's cashflow needs and LDI collateral management. At the same time, the Trustee also agreed to update the liability benchmark for the LDI portfolio to reflect a more prudent liability basis, given the improvement in the funding position since the last actuarial valuation. This was implemented in February 2025.
- In February 2025, the Trustee agreed to introduce a new allocation to Asset Backed Securities ("ABS") and to appoint Aegon to manage this new allocation. The implementation of this took place in May 2025, after the Scheme Year end.

As part of these reviews, the Trustee made sure the Scheme's assets were adequately and appropriately diversified between different asset classes. The Trustee reviewed and updated the Scheme's SIP in June 2025, after the Scheme Year end, to reflect the above changes.

The Trustee monitored the asset allocation on a quarterly basis and compared this to the strategic asset allocation. The actual asset allocation did not deviate materially from the strategic allocation over the Scheme Year and therefore the Trustee undertook no rebalancing action.

The Trustee reviewed the DC and AVC arrangements during the Scheme Year. This was supported by the annual DC and AVC report from its investment advisers, which was considered at the August 2024 Investment Sub-Committee ("ISC") meeting. This report did not highlight any necessary changes to the DC investment strategy.

4. Considerations in setting the investment arrangements

When the Trustee reviewed the DB investment strategy during the Scheme Year it considered the investment risks set out in Section 4.1 of this Statement. It also considered a wide range of asset classes for investment, considering the expected returns and risks associated with those asset classes as well as how these risks can be mitigated. The Trustee also considered the need for diversification and specific circumstances of the Scheme (eg the investment objectives, funding position, level of contributions and strength of the sponsor covenant).

The Trustee invests for the long term, to provide for the Scheme's members and beneficiaries. To achieve good outcomes for members and beneficiaries over this investment horizon, the Trustee therefore seeks to appoint managers whose stewardship activities are aligned to the creation of long-term value and the management of long-run systemic risks.

The Scheme's investment adviser, LCP, monitors the investment managers on an ongoing basis, through regular research meetings. The investment adviser monitors any developments at managers and informs the Trustee promptly about any significant updates or events they become aware of regarding the Scheme's investment managers that may affect the managers' ability to achieve their investment objectives. This includes any significant change to the investment process or key staff for any of the funds the Scheme invests in, or any material change in the level of diversification in the fund. There were no significant changes over the Scheme Year that caused the Trustee concern.

The Trustee monitors the performance of the Scheme's DB investment managers on a quarterly basis, using a monitoring report prepared by the investment adviser. The report shows the performance of each fund over the quarter, one year and three years. Performance is considered in the context of the manager's benchmark and objectives. The Trustee also monitors its managers' responsible investment capabilities using scores provided by its investment adviser, on a biannual basis, the last such report being in early 2022.

The Trustee monitors the performance of the Scheme's DC and AVC assets on an annual basis, using a report prepared by the investment adviser.

4.1 Policy towards risk

Risks are monitored on an ongoing basis with the help of the investment adviser.

The Trustee maintains a risk register and sections of it are discussed in rotation at Administration and Investment Sub-Committees and Trustee quarterly meetings.

The Trustee's policy for some risks, given their nature, is to understand them and to address them if it becomes necessary, based upon the advice of the Scheme's investment adviser or information provided to the Trustee by the Scheme's investment managers. These include credit risk, equity risk, currency risk, collateral adequacy risk, ESG (including climate) risks and the risk of inadequate returns.

With regard to the risk of inadequate returns, as at 31 March 2025 the best estimate expected return on the Scheme's assets was gilts +1.0% pa. This was expected to be sufficient to produce the return needed over the long-term to remain fully funded on the Scheme's informal long-term funding target.

The Scheme's interest rate and inflation hedging levels are monitored on an ongoing basis in the quarterly monitoring report. In February 2025 the Trustee updated the liability benchmark for the LDI portfolio to reflect a more prudent liability basis, given the improvement in the funding position since the last actuarial valuation. As at the Scheme Year end the Scheme's hedging levels were broadly in line with the updated target levels.

Currency risk within the Scheme was largely unchanged over the year (with the only unhedged overseas currency exposure coming from the actively managed Newton Real Return Fund).

With regard to collateral adequacy risk, the Trustee monitors the collateral position within the LDI portfolio against optimal and critical levels, as reported by the LDI manager on a quarterly and ad-hoc basis. The intention is to maintain at least the optimal level of collateral within the LDI portfolio, and this was the case over the Scheme Year. In February 2025 the Trustee moved the Scheme's buy & maintain credit portfolio to be managed within the LDI portfolio, which means the LDI manager now has greater flexibility to directly access the credit assets to support the LDI collateral position if required.

Together, the investment and non-investment risks set out in the SIP give rise generally to funding risk. The Trustee formally reviewed the Scheme's funding position as part of its annual actuarial report to allow for changes in market conditions. On a triennial basis the Trustee reviews the funding position allowing for membership and other experience. The Trustee also informally monitors the funding position more regularly, on a quarterly basis at Trustee meetings. The quarterly investment reports contain analysis of the developments in the Scheme's funding level since the last actuarial valuation.

The following risks are covered elsewhere in this Statement: diversification risk in Sections 3 and 5, investment manager risk and excessive charges in Section 5, illiquidity/marketability risk in Section 6 and ESG risks in Sections 7 and 8.

5. Implementation of the investment arrangements

The Trustee agreed to make a number of changes to the investment strategy during the Scheme Year, as detailed in Section 3, including changes to the investment manager arrangements. This included the integration of the Scheme's LDI and buy & maintain credit portfolios into a single bespoke fund managed by LGIM. The Trustee obtained formal written advice from its investment adviser, LCP, on the changes to LGIM's investment mandate and made sure the investment portfolio of the bespoke fund was adequately and appropriately diversified.

The Trustee also agreed to invest in Aegon's European ABS Fund, although the implementation of this took place after the Scheme Year end. Before appointing the manager, the Trustee received information on the investment process and philosophy, the investment team and past performance. The Trustee also considered the manager's approach to responsible investment and stewardship.

The Trustee relies on its investment adviser's research to understand managers' investment approaches, and ensure they are consistent with the Trustee's policies prior to any new appointment.

The Trustee evaluates manager performance over both shorter and longer periods, encourages managers to improve practices and considers alternative arrangements where managers are not meeting performance objectives. The Trustee received quarterly performance reports from its investment adviser over the Scheme Year.

The Trustee also regularly invites the Scheme's investment managers to present at Trustee meetings, aiming to see each manager approximately once every year. Over the Scheme Year, the Trustee met with M&G, Aviva, and LGIM to discuss the Scheme's investments.

For the DC section, the Trustee monitors the performance of the Scheme's investment managers and carries out a high-level value for members' assessment on an annual basis. The annual report covering the period to 31 March

2024 was considered by the Trustee at its August 2024 ISC meeting, with the Trustee concluding that the majority of members were receiving good value for money.

6. Realisation of investments

The Trustee reviews the Scheme's net current and future cashflow requirements on a regular basis. The Trustee's policy is to have access to sufficient liquid assets to meet any outflows whilst maintaining a portfolio which is appropriately diversified across a range of factors, including suitable exposure to both liquid and illiquid assets.

Over the Scheme Year, the Trustee took income from the Scheme's property, illiquid credit, and liquid credit portfolios as well as a monthly standing order disinvestment instruction from the LDI portfolio to help meet benefit payments. Where any shortfalls arose the Trustee arranged, via the Scheme's administrators and after advice from its investment advisers, disinvestments from the Scheme's liquid assets to cover this shortfall (and vice versa where an excess cash balance accrued in the Scheme's bank account).

For the DC section, it is the Trustee's policy to invest in funds that offer daily dealing to enable members to readily realise and change their investments. All of the DC section funds which the Trustee offered during the Scheme Year are daily priced with the exception of one which is weekly priced – the Trustee is considering whether to move this fund to an equivalent daily priced version.

7. Financially material considerations, non-financial matters

As part of its advice on the selection and ongoing review of the investment managers, the Scheme's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to financially material considerations (including climate change and other ESG considerations), voting and engagement.

Over the Scheme Year, the ISC met with M&G, Aviva, and LGIM to discuss the Scheme's investments. This included engaging with each of the managers on ESG, voting and engagement topics. The Trustee was satisfied with the answers provided by the managers.

In November 2024, the Trustee reviewed LCP's responsible investment (RI) scores for the Scheme's existing managers and funds, along with LCP's qualitative RI assessments for each fund and red flags for any managers of concern. These scores cover the manager's approach to ESG factors, voting and engagement. The fund scores and assessments are based on LCP's ongoing manager research programme, and it is these that directly affect LCP's manager and fund recommendations. The manager scores and red flags are based on LCP's Responsible Investment Survey 2024. The Trustee was satisfied with the results of the review and no further action was taken.

No specific actions have been taken in relation to the selection, retention, or removal of managers as a result of member and beneficiary views.

Within the DC Section, the Trustee recognises that some members may wish for ethical matters to be taken into account in their investments and therefore, it has made available the LGIM FTSE4Good UK Equity Index Fund (previously called the Ethical UK Equity Index Fund) as an investment option to members.

8. Voting and engagement

The Trustee has delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement. However, the Trustee takes ownership of the Scheme's stewardship by monitoring and engaging with managers as necessary as detailed below.

As part of its advice on the selection and ongoing review of the investment managers, the Scheme's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to voting and engagement.

Following the introduction of DWP's guidance, in December 2022 the Trustee agreed to set stewardship priorities to focus monitoring and engagement with their investment managers on specific ESG factors. The Trustee retained 'Climate Change' as its key stewardship priority over the Scheme Year.

As mentioned in previous sections, the Trustee met with a number of the Scheme's managers over the year and was satisfied with the answers provided by the managers on their voting and engagement activities.

The Trustee is conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve. Therefore, the Trustee aims to have an ongoing dialogue with managers to clarify expectations and encourage improvements.

9. Description of voting behaviour during the Scheme Year

All of the Trustee's holdings in listed equities are within pooled funds and the Trustee has delegated to its investment managers the exercise of voting rights. Therefore, the Trustee is not able to direct how votes are exercised and the Trustee itself has not used proxy voting services over the Scheme Year. However, the Trustee monitors managers' voting and engagement behaviour on an annual basis, through its regular meetings with the managers and the production of this statement, and challenges managers where their activity has not been in line with the Trustee's expectations.

In this section we have sought to include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, PLSA Vote Reporting template and DWP's guidance, on the Scheme's DB and DC Section funds that hold equities as follows:

- Newton Real Return Fund
- LGIM Multi-Asset (formerly Consensus) Fund
- LGIM Global Equity Fixed Weights (50:50) Index Fund
- LGIM Global Equity (70:30) Index Fund
- LGIM North America Equity Index Fund
- LGIM Europe (Ex UK) Equity Index Fund
- LGIM UK Equity Index Fund
- LGIM Asia Pacific (Ex Japan) Developed Equity Index Fund
- Prudential With Profits Fund

We have not yet received data from Clerical Medical for its With Profits fund (for the DC section), so this fund is omitted from the Statement. Where voting information was unavailable, the Trustee will continue to work with its advisers and investment managers with the aim of providing this voting information in future implementation statements.

We have omitted AVC funds, and any funds available to DC members but that no member assets were invested during the Scheme Year on materiality grounds.

We have also omitted the Scheme's other funds (eg property, credit, LDI and liquidity funds) on materiality grounds since these are not expected to hold any physical equity holdings, and any holdings with voting rights attached to them would only be a small proportion of the Scheme's total assets. The Trustee is not aware that any of these funds had voting opportunities during the Scheme Year.

9.1 Description of the voting processes

For assets with voting rights, the Trustee relies on the voting policies which its managers have in place.

9.1.1 Newton

Newton has established overarching stewardship principles which guide its ultimate voting decision, based on guidance established by internationally recognised governance principles including the OECD Corporate Governance Principles, the ICGN Global Governance Principles, the UK Investment Association's Principles of Remuneration and the UK Corporate Governance Code, in addition to other local governance codes. All voting decisions are taken on a case-by-case basis, reflecting its investment rationale, engagement activity and the company's approach to relevant codes, market practices and regulations. These are applied to the company's unique situation, while also taking into account any explanations offered for why the company has adopted a certain position or policy. It is only in the event that Newton recognises a material conflict of interest that it applies the vote recommendations of its third-party voting administrator.

Newton seeks to make voting decisions that are in the best long-term financial interests of its clients and which seek to support investor value by promoting sound economic, environmental, social and governance policies, procedures and practices through the support of proposals that are consistent with the following four key objectives:

- to support the alignment of the interests of a company's management and board of directors with those of the company's investors;
- to promote the accountability of a company's management to its board of directors, as well as the accountability of the board of directors to the company's investors;
- to uphold the rights of a company's investors to effect change by voting on those matters submitted for approval; and

- to promote adequate disclosure about a company's business operations and financial performance in a timely manner.

The Responsible Investment team reviews all resolutions for matters of concern. Any such contentious issues identified may be referred to the appropriate global fundamental equity analyst or portfolio manager for comment. Where an issue remains contentious, Newton may also decide to confer or engage with the company or other relevant stakeholders.

Newton employs a variety of research providers that aid it in the vote decision-making process, including proxy advisors such as ISS. Newton utilises ISS for the purpose of administering proxy voting, as well as its research reports on individual company meetings.

9.1.2 LGIM

All decisions are made by LGIM's Investment Stewardship team and in accordance with its relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents, which are reviewed annually. Each member of the team is allocated a specific sector globally so that voting is undertaken by the same individuals who engage with the relevant company. This ensures LGIM's stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector, and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. LGIM also takes into account client feedback received at regular meetings and / or ad hoc comments or enquiries.

LGIM's Investment Stewardship team uses Institutional Shareholder Services' ("ISS") 'ProxyExchange' electronic voting platform to vote clients' shares. All voting decisions are made by LGIM and it does not outsource any part of the strategic decisions. Its use of ISS recommendations is purely to augment its own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services ("IVIS") to supplement the research reports that it receives from ISS for UK companies when making specific voting decisions.

To ensure LGIM's proxy provider votes in accordance with LGIM's position on ESG, it has put in place a custom voting policy with specific voting instructions. LGIM retains the ability in all markets to override any vote decisions, which are based on its custom voting policy. LGIM has strict monitoring controls to ensure its votes are fully and effectively executed in accordance with its voting policies by its service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform them of rejected votes that require further action.

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

9.1.3 Prudential

Prudential has delegated fund management to several fund managers, including M&G Investment Management, BlackRock, Eastspring Investments, Granahan Investment Management, Value Partners, Earnest Partners, Lazard Asset Management, Goldman Sachs Asset Management, MFS and Invesco. Voting on the underlying holdings is carried out by those fund managers, each of whom has their own voting and engagement policies.

9.2 Summary of voting behaviour

A summary of voting behaviour over the Scheme Year for DB (excluding AVCs) and DC funds which had Scheme assets invested over the year and also hold listed equities is provided in the tables below. Note, some numbers may round to zero.

Fund name	Newton Real Return Fund	LGIM Multi-Asset (formerly Consensus) Fund	LGIM Global Equity Fixed Weights (50:50) Index Fund	LGIM Global Equity (70:30) Index Fund	LGIM UK Equity Index Fund
Total size of fund at end of the Scheme Year (£m)	£2,210.4m	£172.0m	£2,306.4m	£694.3m	£9,477.1m
Value of Scheme assets at end of the Scheme Year (£m)	£44.1m	£0.2m	£0.6m	£0.3m	£0.1m
Number of equity holdings at end of the Scheme Year	64	7,087	2,885	4,569	501
Number of meetings eligible to vote	75	10,638	2,981	7,210	717
Number of resolutions eligible to vote	1,075	105,686	37,792	71,496	10,134
% of resolutions voted	99.3%	99.8%	99.8%	99.8%	100.0%
Of the resolutions on which voted, % voted with management	94.6%	76.6%	81.8%	81.0%	93.8%
Of the resolutions on which voted, % voted against management	5.4%	22.3%	18.0%	17.7%	6.2%
Of the resolutions on which voted, % abstained from voting	0.0%	1.1%	0.3%	1.4%	0.0%
Of the meetings in which the manager voted, % with at least one vote against management	35.0%	69.2%	69.0%	58.6%	42.5%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	4.9%	13.8%	13.0%	9.9%	5.3%

Fund name	LGIM Europe (ex UK) Equity Index Fund	LGIM Asia Pacific (ex Jap) Dev Equity Index Fund	LGIM North America Equity Index Fund	Prudential With Profits Fund
Total size of fund at end of the Scheme Year (£m)	£4,989.5m	£1,861.4m	£19,245.5m	£90,000.0m
Value of Scheme assets at end of the Scheme Year (£m)	£0.002m	£0.004m	£0.1m	£0.2m
Number of equity holdings at end of the Scheme Year	384	487	567	Not provided*
Number of meetings eligible to vote	504	459	629	5,070
Number of resolutions eligible to vote	8,539	3,442	8,278	59,435
% of resolutions voted	100.0%	100.0%	98.9%	98.9%

Fund name	LGIM Europe (ex UK) Equity Index Fund	LGIM Asia Pacific (ex Jap) Dev Equity Index Fund	LGIM North America Equity Index Fund	Prudential With Profits Fund
Of the resolutions on which voted, % voted with management	81.5%	74.5%	63.5%	92.2%
Of the resolutions on which voted, % voted against management	18.1%	25.3%	35.9%	7.0%
Of the resolutions on which voted, % abstained from voting	0.4%	0.2%	0.6%	0.9%
Of the meetings in which the manager voted, % with at least one vote against management	79.2%	71.7%	97.9%	35.4%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	8.8%	13.2%	30.6%	0.6%

*Prudential has stated that it is not possible to confirm the number of equity holdings as the fund holds a number of underlying collectives or segregated mandates

9.3 Most significant votes

Commentary on the most significant votes over the Scheme Year, from the Scheme's asset managers who hold listed equities, is set out below.

Given the large number of votes which are cast by managers during every Annual General Meeting season, the timescales over which voting takes place as well as the resource requirements necessary to allow this, the Trustee did not identify significant voting ahead of the reporting period. Instead, the Trustee has retrospectively created a list of most significant votes by requesting each manager provide a shortlist of a minimum of ten most significant votes, and suggested the managers could use the PLSA's criteria for creating this shortlist. By informing its managers of its stewardship priorities and through its regular interactions with the managers, the Trustee believes that its managers will understand how it expects them to vote on issues for the companies they invest in on its behalf.

The Trustee has interpreted "significant votes" to mean those that:

- align with the Trustee's stewardship priority of Climate Change;
- has a high media profile or is seen as being controversial; and/or
- impact a material fund holding, although this would not be considered the only determinant of significance, rather it is an additional factor

The Trustee has reported on at least two of these significant votes per manager (noting that there is overlap in the underlying fund holdings across the LGIM fund range, and LGIM vote consistently across these funds). If members wish to obtain more investment manager voting information, this is available upon request from the Trustee.

The Trustee has sought to obtain all relevant voting data from the Scheme's investment managers, but some of the managers did not provide information on the specific outcome of some votes, whether votes were communicated to the company by the manager ahead of the vote, whether management recommended shareholders to vote in a specific way, or whether any actions were taken by the investment manager following the vote. The Trustee's investment adviser will work with the managers with the aim of providing more complete voting information in future statements.

9.3.1 LGIM (passive equities and multi-asset)

As there is significant overlap between the securities held by the LGIM funds that the Scheme invests in, it is not possible to calculate and disclose the percentage of overall fund assets that these securities represent.

Glencore Plc, 29 May 2024

- **Summary of resolution:** Approve 2024-2026 Climate Action Transition Plan
- **Relevant stewardship priority:** Climate Change
- **Approx size of the holding at the date of the vote:** n/a – held across multiple funds
- **Why this vote is considered to be most significant:** This vote was considered significant as it is linked to the Trustee's stewardship priority
- **Company management recommendation:** For
- **Fund manager vote:** Against
- **Rationale:** LGIM voted against the resolution, though not without reservations. LGIM expects companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. While LGIM note the progress the company has made in terms of disclosure, it remains concerned over the company's thermal coal activities, as it remains unclear how the planned thermal coal production aligns with global demand for thermal coal under a 1.5°C scenario.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote and next steps:** Passed. LGIM will continue to engage with Glencore on its climate transition plans.

Unilever Plc, 1 May 2024

- **Summary of resolution:** Approve Climate Transition Action Plan
- **Relevant stewardship priority:** Climate Change
- **Approx size of the holding at the date of the vote:** n/a – held across multiple funds
- **Why this vote is considered to be most significant:** This vote was considered significant as it is linked to the Trustee's stewardship priority
- **Company management recommendation:** For
- **Fund manager vote:** For
- **Rationale:** LGIM voted for the resolution as the Climate Transition Action Plan meets its minimum expectations. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short, medium and long-term GHG emissions reduction targets consistent with a 1.5°C Paris goal. Despite the SBTi recently removing their approval of the company's long-term scope 3 target, LGIM notes that the company has recently submitted near term 1.5 degree aligned scope 3 targets to the SBTi for validation and therefore at this stage it believes the company's ambition level to be adequate. LGIM therefore remain supportive of the net zero trajectory of the company at this stage.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote and next steps:** Passed. LGIM will continue to engage with the company and monitor progress.

9.3.2 Newton Real Return Fund

Shell Plc, 21 May 2024

- **Summary of resolution:** Advise Shell to Align its Medium-Term Emissions Reduction Targets Covering the Greenhouse Gas (GHG) Emissions of the Use of its Energy Products (Scope 3) with the Goal of the Paris Climate Agreement
- **Relevant stewardship priority:** Climate Change
- **Approx size of the holding at the date of the vote:** 1.8%
- **Why this vote is considered to be most significant:** This vote was considered significant as it is linked to the Trustee's stewardship priority
- **Company management recommendation:** Against
- **Fund manager vote:** Against
- **Rationale:** Newton did not support this shareholder proposal as it believed the company has disclosed enough information for shareholders to assess the related risks. Moreover, the company has disclosed a partial Scope 3 target which is considered an appropriate response to the shareholder resolution.

- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote and next steps:** Failed. Newton believe that, as a significant GHG emitter, it is critical for Shell to have a credible transition plan.

The Goldman Sachs Group, Inc., 24 April 2024

- **Summary of resolution:** Report on Clean Energy Supply Financing Ratio
- **Relevant stewardship priority:** Climate Change
- **Approx size of the holding at the date of the vote:** 0.9%
- **Why this vote is considered to be most significant:** This vote was considered significant as it is linked to the Trustee's stewardship priority
- **Company management recommendation:** Against
- **Fund manager vote:** For
- **Rationale:** Newton supported a shareholder proposal asking for a report on Goldman Sachs clean energy supply financing ratio as it believed the ratio will help shareholders assess how the bank is capitalising on clean energy opportunities and aligning itself with the net zero by 2050 pathway. The proposal does not step on management's prerogatives while improving disclosures on financing energy transition, linking it to a metric.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote and next steps:** Failed. Newton will continue to engage with the bank to try and make their climate transition plan more robust.

9.3.3 Prudential With Profits Fund

Toyota Motor Corp, 18 June 2024

- **Summary of resolution:** Amend articles to report on corporate climate lobbying aligned with Paris Agreement
- **Relevant stewardship priority:** Climate Change
- **Approx size of the holding at the date of the vote:** 0.2%
- **Why this vote is considered to be most significant:** This vote was considered significant as it is linked to the Trustee's stewardship priority
- **Company management recommendation:** Against
- **Fund manager vote:** Against
- **Rationale:** The manager voted against the proposal due to concern over enshrining the requirement in the company's articles.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote and next steps:** Failed. Information on next steps was not provided

TotalEnergies SE, 24 May 2023

- **Summary of resolution:** Approve Report on Progress of Company's Sustainability and Climate Transition Plan (Advisory)
- **Relevant stewardship priority:** Climate Change
- **Approx size of the holding at the date of the vote:** 0.1%
- **Why this vote is considered to be most significant:** This vote was considered significant as it is linked to the Trustee's stewardship priority
- **Company management recommendation:** For
- **Fund manager vote:** Against
- **Rationale:** The manager voted against the proposal due to concerns that the company's long-term carbon reduction targets are not sufficiently ambitious.
- **Was the vote communicated to the company ahead of the vote:** No
- **Outcome of the vote and next steps:** Passed. Information on next steps was not provided.