

Implementation Statement

W Lucy Pension Scheme

How voting and engagement policies have been followed

The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers. Investment rights (including voting rights) have been exercised by the managers in line with the managers' general policies on corporate governance. The Trustees also expect the managers to have engaged with the companies in which they invest in relation to ESG matters.

The Trustees undertook an initial review of the stewardship and engagement activities of the current managers at their 24 May 2021 meeting. The Trustees acknowledged that ESG is a risk for the Scheme, but were satisfied that their policies were reasonable and no remedial action was required at that time.

Annually the Trustees receive and review voting information and engagement policies from both the asset managers and our investment advisors which we review to ensure there is no significant divergence with our own policies.

Having reviewed the above in accordance with their policies, the Trustees are comfortable the actions of the fund managers are in alignment with the Scheme's stewardship policies.

The Scheme's investment managers vote on behalf of the Scheme's holdings in pooled funds. We have noted below the key voting themes over the year made on behalf of the Trustees, the key votes taken and the use of proxy voting advisors by managers:

Voting Data

The voting data collated for the Scheme is given over the year to 31 March 2022.

Manager	Legal & General Investment Management							
Fund name	UK Equity Index	Europe (ex UK) Equity Index	North America Equity Index	Japan Equity Index	Asia Pacific (ex Jap) Equity Index	World Emerging Markets Equity Fund	World Equity Index (MSCI)	Global Equity 50:50 Fund
Structure	Pooled							
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.							
Number of company meetings the manager was eligible to vote at over the year	772	549	663	512	682	4087	1,720	3,175
Number of resolutions the manager was eligible to vote on over the year	10,813	9447	8,181	6,109	4,951	34237	22891	39,493
Percentage of resolutions the manager voted on	99.98%	99.80%	99.74%	100.00%	99.92%	99.80%	99.83%	99.88%
Percentage of resolutions the manager abstained from	0.00%	0.70%	0.06%	0.02%	0.16%	2.18%	0.29%	0.20%
Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	93.07%	82.19%	70.43%	86.64%	77.60%	81.11%	79.55%	82.85%

Manager	Legal & General Investment Management							
Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	6.93%	17.11%	29.51%	13.34%	22.24%	16.71%	20.15%	16.95%
Percentage of resolutions voted <i>contrary</i> to the recommendation of the proxy advisor	5.35%	8.46%	23.38%	10.43%	14.37%	6.29%	14.46%	11.74%
	GMO LLC	Blackrock Investment Management		Columbia Threadneedle		Ruffer LLP		
Fund name	Global Equity Allocation Investment Fund	Dynamic Diversified Growth Fund		Dynamic Real Return Fund		Absolute Return Fund		
Structure	Pooled							
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.							
Number of company meetings the manager was eligible to vote at over the year	930	965	389	96				
Number of resolutions the manager was eligible to vote on over the year	11,014	12,458	4,939	1,307				
Percentage of resolutions the manager voted on	98.37%	100.00%	100.00%	100.00%				
Percentage of resolutions the manager abstained from	1.63%	1.46%	1.61%	1.76%				
Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	91.27%	93.75%	93.03%	91.74%				

Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	7.10%	6.25%	5.36%	6.43%
Percentage of resolutions voted <i>contrary to the recommendation of the proxy advisor</i>	0.41%	0.10%	n/a	6.81%

Source: Information provided by the investment managers.

Proxy Advisors

Many of the Scheme's investment managers make use proxy advisory services when voting at shareholder meetings. Details of the proxy services used and policies applied are below, where this information has been provided.

LGIM

LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions. LGIM's use of ISS recommendations is purely to augment their 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 LGIM receive from ISS for UK companies when making specific voting decisions.

To ensure their proxy provider votes in accordance with their position on ESG, LGIM have put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what LGIM consider are minimum best practice standards which they believe all companies globally should observe, irrespective of local regulation or practice.

LGIM retain the ability in all markets to override any vote decisions, which are based on their custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) that allows LGIM to apply a qualitative overlay to their voting judgement. LGIM have strict monitoring controls to ensure their votes are fully and effectively executed in accordance with their voting policies by their 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 which require further action.

GMO

GMO has engaged Institutional Shareholder Services Group, Inc. ("ISS") as its proxy voting agent to:

- research and make voting recommendations or, for matters for which GMO has so delegated, to make the voting determinations;
- ensure that proxies are voted and submitted in a timely manner;
- handle other administrative functions of proxy voting;
- maintain records of proxy statements received in connection with proxy votes and provide copies of such proxy statements promptly upon request;
- maintain records of votes cast; and
- provide recommendations with respect to proxy voting matters in general.

Proxies generally will be voted in accordance with the voting recommendations contained in the applicable ISS Sustainability Proxy Voting Guidelines, as in effect from time to time, subject to such modifications as may be determined by GMO.

Columbia Threadneedle

Threadneedle recognise that companies are not homogeneous and some variation in governance structures and practice is to be expected. In formulating their approach, they are also mindful of best practice standards and codes that help frame good practice, including international frameworks and investment industry guidance. While they are mindful of company and industry specific issues, as well as normal market practice, in considering the approach and proposals of a company they are guided solely by the best interests of their clients and will consider any issues and related disclosures or explanations in that context. While analysing meeting agendas and making voting decisions, they use a range of research sources and consider various ESG issues, including companies' risk management practices and evidence of any controversies. Threadneedle's final vote decisions take account of, but are not determinatively informed by, research issued by proxy advisory organisations such as ISS, IVIS and Glass Lewis as well as MSCI ESG Research. Proxy voting is effected via ISS.

Ruffer

Ruffer's proxy voting advisor is Institutional Shareholder Services (ISS).

Ruffer have developed their own internal voting guidelines, however they take into account issues raised by ISS, to assist in the assessment of resolutions and the identification of contentious issues. Although Ruffer are cognisant of proxy advisers' voting recommendations, they do not delegate or outsource their stewardship activities when deciding how to vote on their clients' shares.

Each research analyst, supported by their responsible investment team, reviews the relevant issues on a case-by-case basis and exercises their judgement, based on their in-depth knowledge of the company. If there are any controversial resolutions, a discussion is convened with senior investment staff and, if agreement cannot be reached, there is an option to escalate the decision to the Head of Research or the Chief Investment Officer.

As discussed above, Ruffer do use ISS as an input into their decisions. In the 12 months to 31 March 2022, of the votes in relation to holdings in the Ruffer Absolute Return Fund, they voted against the recommendation of ISS 6.8% of the time.

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the Trustee over the year to be set out. The guidance does not currently define what constitutes a “significant” vote. However, recent guidance states that a significant vote is likely to be one that is linked to one or more of a scheme’s stewardship priorities / themes. At this time, the Trustees have not set stewardship priorities / themes for the Scheme, but will be considering the extent that they wish to do this in due course, in line with other Scheme risks. So, for this Implementation Statement, the Trustees have asked the investment managers to determine what they believe to be a “significant vote”. The Trustee has not communicated voting preferences to their investment managers over the period, as the Trustee is yet to develop a specific voting policy. In future, the Trustees will consider the most significant votes in conjunction with any agreed stewardship priorities / themes.

Each manager has provided a selection of 10 votes per fund which they believe to be significant. In the absence of agreed stewardship priorities / themes, the Trustees have selected 3 votes from each manager, that cover a range of themes to represent what it considers the most significant votes cast on behalf of the Scheme.

For LGIM, however, the Trustees have selected six significant votes that cover the largest holdings in each of the eight equity funds they manage on behalf of the Scheme.

LGIM Equity Portfolio

	Vote 1	Vote 2	Vote 3
Company name	Apple	Informa	Total SE
Fund(s)	North America Equity Index, Global Equity 50:50 Fund and World Equity Index (MSCI)	UK Equity Index	Europe (ex UK) Equity Index
Date of vote	4 March 2022	3 June 2021	28 May 2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	6.22%, 1.09% and 4.72% respectively	0.34%	1.25%
Summary of the resolution	Report on Civil Rights Audit	Resolution 3: Re-elect Stephen Davidson as Director Resolution 5: Re-elect Mary McDowell as Director Resolution 7: Re-elect Helen Owers as Director Resolution 11: Approve Remuneration Report	Reelect Patrick Pouyanne as Director
How the manager voted	For	Against all resolutions	Against
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions in monthly regional vote reports 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.		

	Vote 1	Vote 2	Vote 3
Rationale for the voting decision	<p>A vote in favour is applied as LGIM supports proposals related to diversity and inclusion policies as they consider these issues to be a material risk to companies.</p>	<p>The company's prior three Remuneration Policy votes – in 2018, June 2020, and at a General Meeting that was called in December 2020 – each received high levels of dissent, with 35% or more of votes cast against. At the December 2020 meeting, the Remuneration Policy and the Equity Revitalisation Plan (EVP) received over 40% of votes against. The EVP was structured to award the CEO restricted shares to a value of 600% of salary. LGIM has noted their concerns with the company's remuneration practices for many years. Due to continued dissatisfaction, LGIM again voted against the proposed Policy at the December 2020 meeting. However, despite significant shareholder dissent at the 2018 and 2020 meetings, the company implemented the awards under the plan, a few weeks after the December meeting. Additionally, the Remuneration Committee has adjusted the performance conditions for the FY2018 long-term incentive plan (LTIP) awards while the plan is running, resulting in awards vesting where they would otherwise have lapsed. Due to consistent problems with the implementation of the company's Remuneration Policy and the most recent events as described above, LGIM has voted against the Chair of the Remuneration Committee for the past three years. Given the company has implemented plans that received significant dissent from shareholders without addressing persistent concerns, LGIM has taken the decision to escalate their vote further to all incumbent Remuneration Committee members, namely Stephen Davidson (Remuneration Committee Chair), Mary McDowell and Helen Owers.</p>	<p>LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 LGIM have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 they are voting against all combined board chair/CEO roles. Furthermore, LGIM have published a guide for boards on the separation of the roles of chair and CEO (available on our website), and have reinforced their position on leadership structures across their stewardship activities – e.g. via individual corporate engagements and director conferences.</p>

	Vote 1	Vote 2	Vote 3
Outcome of the vote	53.6% in favour	Resolution 3: 53.4% Approved Resolution 5: 80% Approved Resolution 7: 78.1% Approved Resolution 11: 38.3% Approved	77.4% of shareholders supported the resolution.
Implications of the outcome	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.	LGIM will continue to seek to engage with the company and monitor progress.	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.
Criteria on which the vote is considered "significant"	LGIM views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their clients' behalf.	LGIM consider this vote to be significant as LGIM took the rare step of publicly pre-declaring it before the shareholder meeting. Publicly pre-declaring their vote intention is an important tool for their engagement activities. LGIM decide to pre-declare their vote intention for a number of reasons, including as part of their escalation strategy, where they consider the vote to be contentious, or as part of a specific engagement programme.	LGIM considers this vote to be significant as it is in application of an escalation of their vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).
	Vote 4	Vote 5	Vote 6
Company name	MediaTek	Mitsubishi UFJ Financial Group, Inc.	Alibaba
Fund	Asia Pacific (ex Jap) Equity Index	Japan Equity Index	World Emerging Markets Equity Fund
Date of vote	10 June 2021	29 June 2021	17 September 2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.05%	1.57%	3.76%
Summary of the resolution	Elect Ming-Kai Tsai with Shareholder No. 1 as Non-independent Director	Amend Articles to Disclose Plan Outlining Company's Business Strategy to Align Investments with Goals of Paris Agreement	Elect Director Joseph C. Tsai
How the manager voted	Against	For	Against
If the vote was against management, did the manager communicate their	LGIM publicly communicates its vote instructions in monthly regional vote reports on its website with the rationale for all votes against management. It is LGIM's policy not to engage with its investee		

	Vote 4	Vote 5	Vote 6
intent to the company ahead of the vote?			
	companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.		
Rationale for the voting decision	<p>LGIM views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf. For 10 years, LGIM have been using their position to engage with companies on this issue. As part of LGIM's efforts to influence their investee companies on having greater gender balance, they expect all companies in which they invest globally to have at least one female on their board.</p> <p>LGIM note that they have stronger requirements in the UK, North American, European and Japanese markets, in line with their engagement in these markets. Further details, are available in their vote policies on their website.</p>	<p>Climate change: A vote in favour of this shareholder proposal is warranted as LGIM expects companies to be taking sufficient action on the key issue of climate change. While LGIM positively note the company's recent announcements around net-zero targets and exclusion policies, they think that these commitments could be further strengthened and believe the shareholder proposal provides a good directional push.</p>	<p>LGIM has a longstanding policy advocating for the separation of the roles of CEO and board chair. These two roles are substantially different, requiring distinct skills and experiences. Since 2015 LGIM have supported shareholder proposals seeking the appointment of independent board chairs, and since 2020 they have voted against all combined board chair/CEO roles. Furthermore, LGIM have published a guide for boards on the separation of the roles of chair and CEO (available on our website), and have reinforced their position on leadership structures across their stewardship activities – e.g. via individual corporate engagements and director conferences.</p>
Outcome of the vote	N/A	22.7% of shareholders supported the resolution.	73.6% of shareholders supported the resolution
Implications of the outcome	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.	LGIM will continue to engage on this important ESG issue.	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.
Criteria on which the vote is considered "significant"	LGIM views gender diversity as a financially material issue for their clients, with implications for the assets managed on their behalf.	LGIM views climate change as a financially material issue for their clients, with implications for the assets managed on their behalf. This was also a high profile proposal in Japan, where climate-related shareholder proposals are still rare.	LGIM considers this vote to be significant as it is in application of an escalation of their vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).

Blackrock, Dynamic Diversified Growth Fund

	Vote 1	Vote 2	Vote 3
Company name	Berkshire Hathaway Inc.	General Electric Company	BP
Date of vote	1 May 2021	4 May 2021	12 May 2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	N/A	N/A	N/A
Summary of the resolution	Publish Annually a Report Assessing Diversity and Inclusion Efforts	Elect Director James Tisch	Approve Shareholder Resolution on Climate Change Targets
How the manager voted	For	Against	For
Rationale for the voting decision	The Company does not meet currently meet Blackrock's expectations for disclosure of material diversity, equity, and inclusion policies and/or risks.	Blackrock voted against the sitting CEO for serving on an excessive number of public company boards, which they believe raises substantial concerns about his ability to exercise sufficient oversight on this board.	Blackrock recognised the company's efforts to date but believed that supporting the proposal may accelerate the company's progress on climate risk management and/or oversight.

Columbia Threadneedle Investments, Dynamic Real Return Fund

	Vote 1	Vote 2	Vote 3
Company name	Caterpillar Inc.	Royal Dutch Shell Plc	Chalice Mining Ltd.
Date of vote	9 June 2021	18 May 2021	24 November 2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.03%	0.15%	0.00%
Summary of the resolution	Report on Climate Policy	Request Shell to Set and Publish Targets for Greenhouse Gas (GHG) Emissions	Approve Issuance of Options to Stephen McIntosh
How the manager voted	For	Abstain	Against
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?		Data not provided	
Rationale for the voting decision	Supporting better ESG risk management disclosures	Not in shareholders' best interest	Remuneration concerns
Outcome of the vote	Fail	Fail	Pass
Implications of the outcome	Active stewardship (engagement and voting) continues to form an integral part of Threadneedle's research and investment process.		
Criteria on which the vote is considered "significant"	Vote against management		

Ruffer, Absolute Return Fund

	Vote 1	Vote 2	Vote 3
Company name	Royal Dutch Shell	Ambev	NEC
Date of vote	18/05/2021	29/04/2021	22/06/2021
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.33%	1.07%	0.34%
Summary of the resolution	Vote on management resolution relating to the company's climate transition plan	Governance – remuneration	Governance – vote on election of independent director
How the manager voted	For	Against	Against
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	No they did not as they did not vote against management.	Ruffer met with and informed the company of their voting intentions prior to the AGM	Ruffer met with the company's IR in advance of the AGM and communicated their concerns.

Rationale for the voting decision

Ruffer supported Royal Dutch Shell's first Energy Transition Strategy plan. The decision was made in the context of the progress Shell has made as a result of engagement and the commitment of the company leadership to continue to meaningfully engage on the remaining areas of Climate Action 100+. The management resolution gained support of 88.7% of its shareholder base.

Ruffer are committing to continued engagement with the company to work on details of the company's transition plans to ensure absolute emission equivalent targets sit alongside short- and medium-term intensity targets, and the need for further alignment on capital expenditure. In light of the opportunity to vote on the company's transition strategy and the progress made, Ruffer did not see a need to vote in favour of the shareholder proposal filed by the NGO Follow This. As a founding member of Climate Action 100+ initiative Ruffer engaged with Shell collaboratively and individually over several years and Ruffer are looking forward

The company asked to increase its annual remuneration cap by 11.2%. The company only used 64% of its cap in 2020 and 75% of its cap in 2019. Given the current cap hasn't been met and the company is proposing an 11.2% increase in that cap despite weak share price and margin performance over a number of years, Ruffer did not believe approving the increase would be warranted. Ruffer have engaged with the company on this item and they point to the need to adjust compensation for inflation and market benchmarks. Voting for this item would seem to be perpetuating the inflationary spiral of executive compensation and Ruffer believe they need to send a message that poor performance cannot be rewarded with higher pay.

Ruffer voted against the election of a director due to his affiliation to a company linked by cross-shareholdings with NEC. They therefore deemed him not to be independent.

	to continuing their engagements, focusing on the company's progress on its transition plan.		
Outcome of the vote	The resolution passed with 88.7% votes in favour.	The resolution passed with 86.5% votes in favour.	The proposal passed with 64.7% votes in favour.
Implications of the outcome	Ruffer will monitor how the company progresses and improves over time, and continue to support credible energy transition strategies and initiatives.	Ruffer will continue to vote against remuneration policies that they deem to be inappropriate in the context of the circumstances of the company	Ruffer will continue to engage with the company on governance issues and feedback their concerns on the lack of independent representation on the Board.
Criteria on which the vote is considered "significant"	Ruffer believe this vote will be of particular interest to their clients. The management resolutions aimed to increase the transparency of the company's climate transition planning and outcomes.	Ruffer believe this vote will be of particular interest to their clients. The vote against management was in the context of engagement with the company and the result of extensive internal discussions	Votes against the election of directors for material holdings are significant. These arise after discussion between members of the research, portfolio management and responsible investment teams

GMO, Global Equity Allocation Investment Fund

GMO have not provided details regarding significant votes over the period. They have previously provided the following explanation for this:

"The Global Equity Allocation Investment Fund is managed by our Asset Allocation team and they take investment exposures from a number of underlying GMO investment teams, some of which are fundamental and some are quantitative or combined in style, as such "Significant" votes at the portfolio level are very difficult to determine."

Insight, Broad Opportunities Fund

Insight have previously stated that significant votes are not applicable to the exposure of this strategy, and provided the following explanation:

"The strategy invests in listed closed-end investment companies with a focus on cash-generative investments in social infrastructure, renewable energy and asset-backed aviation finance. The corporate structure of closed-end investment companies held in the strategy includes an independent board which is responsible for providing an overall oversight function on behalf of all shareholders. This governance framework includes a range of aspects including setting out investment objectives, and on an ongoing basis ensuring that the underlying strategy and portfolio activities within it remain within the agreed framework. This governance framework that is with an independent board acting on behalf of shareholders generally limits contentious issues that can arise with other listed entities. As a result, examples of significant votes cast that may be comparable to other listed entities are not applicable to the strategy's exposures."

Fund level engagement

The investment managers may engage with their investee companies on behalf of the Trustees. The table below provides a summary of the engagement activities undertaken by each of the managers during the year to 31 March 2022. Engagement activities are limited for the Scheme's government bond fund due to the nature of the underlying holdings, so engagement information for this fund has not been shown.

Manager	Legal & General Investment Management	GMO LLC	Blackrock Investment Management	Columbia Threadneedle Investments	Ruffer LLP	Insight Investments	
Fund name	Range of passive equity funds	Global Equity Allocation Investment Fund	Dynamic Diversified Growth Fund	Dynamic Real Return Fund	Absolute Return Fund	UK Broad Market Bond Fund	UK Corporate All Maturities Bond Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of companies engaged with on behalf of the holdings in this fund in the year	<i>Data not provided</i>	<i>Data not provided</i>	451	<i>Data not provided</i>	25	62	89
Number of companies engaged with at a firm level in the year	593	<i>Data not provided</i>	<i>Data not provided</i>	182	39	625	

Source: Information provided by the investment managers.

Examples of engagement activity undertaken over the year to 31 March 2022

Manager	Engagement themes and examples of engagements undertaken with holdings in the fund
<p>Legal & general Investment management</p> <p>LGIM conduct all engagements at a firm level, so no engagements are specific to a single fund.</p>	<p>Social LGIM have engaged with Amazon five times over the year, both independently and collaboratively. In these engagements, LGIM discussed Amazon's approach to human rights. At the 2021 AGM, there was a vote on a shareholder resolution for a civil rights, equity, diversity and inclusion audit report, which LGIM supported. Following this, LGIM approached the company to ask how it planned to improve its disclosure and transparency on civil rights, equity, diversity and inclusion.</p>
<p>Insight</p> <p>Example provided for the UK Corporate All Maturities Bond Fund</p>	<p>Social Insight engaged with British American Tobacco (BAT) about their environmental and social targets as the company had below average ratings on Insight's ESG rating system. Overall, Insight were encouraged with their transition plans and social targets. BAT have various Environmental targets, including:</p> <ul style="list-style-type: none"> • Carbon neutral for scope 1 & 2 by 2030 and scope 3 by 2050 • 35% reduction in water withdrawn and - 30% increase in water recycled by 2025 • Elimination of unnecessary single-use plastic with zero waste to landfill by 2025. They also have various social targets for 2025: • Human rights: 100% suppliers to human rights due diligence with zero child labour and forced labour • At least 45% of leadership positions held by women
<p>GMO LLC</p> <p>GMO have provided engagement examples at a firm level.</p>	<p>Environmental GMO engaged with Sweihan PV Power, an Abu Dhabi-based limited-purpose entity that owns, operates, and maintains the Noor photovoltaic (PV) power plant in Abu Dhabi. Their project puts solar panels in the middle of a desert to replace hydrocarbons. GMO discussed the benefits of this project and encouraged the management to build more of these in the region.</p>
<p>BlackRock</p> <p>Blackrock have provided engagement themes at a firm level.</p>	<p>BlackRock's main engagement topics include:</p> <ul style="list-style-type: none"> • Board Quality & Effectiveness - Quality leadership is essential to performance. Board composition, effectiveness, diversity and accountability remain top priorities • Climate & Natural Capital Strategy - Climate action plans with targets advance the transition to a low carbon economy. Managing natural capital dependencies and impacts through sustainable business practices • Strategy Purpose & Financial Resilience - A purpose driven long-term strategy, underpinned by sound capital management, supports financial resilience • Incentives Aligned with Value Creation - Appropriate incentives reward executives for delivering sustainable long-term value creation • Human Capital - Sustainable business practices create enduring value for all key stakeholders <p>An example is BlackRock's engagement with Shell Plc, a major integrated oil and gas company that operates through Integrated Gas, Upstream, Downstream and Corporate segments. The company was formerly based in the Netherlands and has recently moved their headquarters to the United Kingdom. BlackRock has engaged regularly with Shell over the last several years to discuss a range of corporate governance and sustainable business matters that they believe contribute to a company's ability to deliver durable and long-term shareholder returns. This has included conversations about climate risk and opportunities, which BlackRock believes can be a defining factor in companies' long-term prospects.</p>

Manager

Engagement themes and examples of engagements undertaken with holdings in the fund

<p>Ruffer</p> <p>Ruffer have provided engagement examples at a firm level.</p>	<p>Governance Ruffer engaged with Carrefour on issues relating corporate transparency, accountability and sensible decision-making as Ruffer believe they are key to the long-term success of a company and to understanding how management pay is aligned with the company's future performance and strategy.</p> <p>Ruffer will interrogate the key performance indicators within the company remuneration policy, annual bonuses and LTIPs. As such, Ruffer met with Laurent Vallée (General Secretary), Edouard de Chavagnac (Group Legal Director), Kevin Paviet- Salomon (Corporate Legal and Group Finance Director), Selma Bekhechi (Head of Financial Communication and Investor Relations), Antoine Parison (Investor Relations Director), Anthony Guglielmo (Investor Relations Senior Manager), Max Bagnall (Investor Relations agent, D.F. King Limited).</p> <p>On governance, Ruffer discussed CEO remuneration in detail and although believe the quantum of pay in relation to performance was reasonable, the scheme is poorly designed and administered with too much discretion. Ruffer confirmed to the company that it felt the policy and structure need to be more robust and transparent. They also touched on deforestation in Brazil and noted the company's targets and recent efforts to reduce their impact in this part of the supply chain. Carrefour first made a commitment to reduce deforestation in the region in 2010 and, whilst efforts have been slowed by local government policy and political instability, the company continues to set leading targets within the food industry. Ruffer also discussed the independence and tenure of non-executive directors.</p> <p>Ruffer subsequently voted against the remuneration policy, and the Chair of the Remuneration Committee at the AGM and informed management of its vote. Ruffer also voted against Nicolas Bazire - a non-executive director who was convicted and jailed (subject to appeal) in the 'Karachi affair'.</p>
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<p>Columbia Threadneedle</p> <p>Columbia Threadneedle have provided engagement examples at a firm level.</p>	<p>Environmental Threadneedle engaged with Exxon Mobil regarding an activist campaign seeking to change the company's business strategy and increase focus on a low-carbon future included a proposal to seat four nominees in a contested election of directors.</p> <p>Engagement deepened Threadneedle's understanding of the case for change. As part of their due diligence, Threadneedle met by video conference with the dissident-nominated directors of Exxon Mobil and separately with management to assess the rationale and necessity for change.</p> <p>The company's continued commitment to a carbon-first strategy in an increasingly low-carbon world contributed to lagging performance, higher debt levels and poor capital allocation decisions. The board's clear lack of conventional and energy transition experience seemingly facilitated this approach and put the company's long-term success at risk. Fresh oversight and experience was deemed necessary to oversee a multi-year course correction, and the dissident nominees would bring the right experiences and pragmatic thinking to the board.</p> <p>Threadneedle voted in support of all four dissident director nominees on the basis that critical strategic changes can only be facilitated through additional energy-focused perspectives on the board. A majority of investors supported three of the four dissident nominees and supplanted an equal number of incumbent directors on the company's board, thus materially remaking the board's composition and positioning the company for a new future.</p>
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Summary

Based on the information received, the Trustees believe that the investment managers have acted in accordance with the Scheme's stewardship policies.

The Trustees and the investment consultant are working with the investment managers to provide additional information in the future, including where indicated above, in order to enhance their ability to assess the investment managers' actions.