

Implementation Statement

W Lucy Pension Scheme

Purpose of this statement

This implementation statement has been produced by the Trustees of the W Lucy Pension Scheme (**“the Scheme”**) to set out the following information over the year to 31 March 2024.

- how the Trustees’ policies on exercising rights (including voting rights) and engagement activities have been followed over the year; and
- the voting activity undertaken by the Scheme’s investment managers on behalf of the Trustees over the year, including information regarding the most significant votes.

Stewardship policy

The Trustees’ Statement of Investment Principles (SIP) in force at 31 March 2024 describes the Trustees’ stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in May 2024 and has been made available online here: <https://www.lucygroup.com/corporate-social-responsibility/statement-of-investment-principles/>

The Trustees discussed setting stewardship priorities at the 7 May 2024 Trustee meeting and ultimately decided not to set any stewardship priorities for the Scheme because the Scheme solely invests through pooled investment vehicles where the Scheme’s assets only represent a small proportion of the total capital invested in the funds. The Trustees understand that they are constrained by the policies of the managers. Additionally, only 30.5% (£19.4m as at 31 March 2024) of the Scheme assets were invested in assets with voting rights attached.

The Trustees takes the stewardship priorities, climate risk, and ESG factors into account at manager selection. The Trustees also review the stewardship and engagement activities of the investment managers annually.

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. A refresh of this exercise took place at the Trustees’ 25 May 2023 meeting, at which the Trustees continued to acknowledge that ESG is a risk for the Scheme, but remain 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, which they review to ensure there is no significant divergence with their 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

This section provides a summary of the voting activity undertaken by the investment managers within the Scheme's Growth Portfolio on behalf of the Trustees over the year to 31 March 2024. The Scheme's gilts and bond holdings with Insight have no voting rights and limited ability to engage with key stakeholders given the nature of the mandate.

The Scheme disinvested from the GMO Equity Allocation Investment Fund on 7 November 2023. GMO only provide information annually, as at 31 March. As such, the information presented below reflects the period during and post investment. The Scheme disinvested from the BlackRock Dynamic Diversified Growth Fund on 28 April 2023 and therefore has been excluded from the Implementation Statement on the grounds of materiality.

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.							
No. of eligible meetings	709	542	645	514	634	4,238	1,563	3,035
No. of eligible votes	10,462	9,556	8,713	6,103	4,569	33,716	22,429	39,303
% of resolutions voted	99.8%	99.7%	99.8%	100.0%	100.0%	99.9%	99.8%	99.8%
% of resolutions abstained	0.0%	0.4%	0.0%	0.0%	0.0%	0.9%	0.2%	0.1%

Manager	Legal & General Investment Management							
% of resolutions voted with management¹	94.4%	80.6%	65.4%	88.0%	78.3%	80.1%	76.7%	81.8%
% of resolutions voted against management¹	5.6%	19.0%	34.6%	12.0%	21.7%	19.0%	23.2%	18.1%
Proxy voting advisor employed¹	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. Further information can be found under the section of the Implementation Statement titled 'Proxy Voting Advisers'							
% of resolutions voted against proxy voter recommendation	4.6%	10.7%	29.0%	9.8%	13.2%	7.4%	17.9%	13.3%

Source: Information provided by the investment managers.

Figures may not sum due to rounding.

Manager	Ruffer LLP	GMO*
Fund name	Absolute Return Fund	Global Equity Allocation Investment 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.	
No. of eligible meetings	64	773
No. of eligible votes	1,020	9,418
% of resolutions voted	100.0%	95.8%
% of resolutions abstained	2.0%	0.2%
% of resolutions voted with management¹	94.9%	89.4%

¹ As a percentage of the total number of resolutions voted on

¹ As a percentage of the total number of resolutions voted on

Manager	Ruffer LLP	GMO*
% of resolutions voted against management¹	3.1%	10.4%
Proxy voting advisor employed¹	Ruffer's proxy voting advisor is Institutional Shareholder Services (ISS). Further information can be found under the section of the Implementation Statement titled 'Proxy Voting Advisers'	Institutional Shareholder Services implement GMO's policy. Further information can be found under the section of the Implementation Statement titled 'Proxy Voting Advisers'
% of resolutions voted against proxy voter recommendation	9.6%	0.5%

Source: Information provided by the investment managers.

*The Scheme disinvested from the GMO Equity Allocation Investment Fund on 7 November 2023. GMO only provide information annually, as at 31 March. As such, the information presented below reflects the period during and post investment.

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.

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 2024, of the votes in relation to holdings in the Ruffer Absolute Return Fund, they voted against the recommendation of ISS 9.6% 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 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	Shell Plc	Microsoft Corporation	Apple Inc.
Fund(s)	UK Equity index Fund Global Equity Fixed Weights (50:50) Index Fund	North America Equity Index Fund World Equity Index (MSCI) Fund	North America Equity Index Fund World Equity Index (MSCI) Fund
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	6.96% and 3.53% respectively	6.93% and 4.62% respectively	6.19% and 4.62% respectively
Summary of the resolution	Approve the Shell Energy Transition Progress	Elect Director Satya Nadella	Report on the Risks of Omitting Viewpoint and Ideological Diversity from EEO Policy
How the manager voted	Against	Against	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.		
Rationale for the voting decision	Climate change: A vote against is applied, though not without reservations. LGIM acknowledges the substantial progress made by the company in meeting its 2021 climate commitments and welcome the	Joint Chair/CEO: A vote against is applied as LGIM expects companies not to combine the roles of Board Chair and CEO due	Environmental and Social: A vote against this proposal is warranted, as the company appears to be providing shareholders with sufficient disclosure around its diversity and inclusion efforts and

	Vote 1	Vote 2	Vote 3
	company's leadership in pursuing low carbon products. However, LGIM remain concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations: both of which are key areas to demonstrate alignment with 1.5C trajectory.	to risk management and oversight concerns.	non-discrimination policies, including viewpoint and ideology in EEO policies, does not appear to be a standard industry practice.
Outcome of the vote	80.0% in favour	Information not provided	Fail
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.		
Criteria on which the vote is considered "significant"	Climate: LGIM is publicly supportive of so called "Say on Climate" votes. LGIM expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile of such votes, LGIM deem such votes to be significant, particularly when LGIM votes against the transition plan.	LGIM considers this vote significant as it is an application of an escalation of their vote policy on the topic of the combination of the board chair and CEO.	Diversity: LGIM views diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.
	Vote 4	Vote 5	Vote 6
Company name	Tencent Holdings Limited	Toyota Motor Corp.	BP Plc
Fund	World Emerging Markets Equity Index Fund	Japan Equity Index Fund	UK Equity Index Fund
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	4.24%	4.19%	3.82%
Summary of the resolution	Elect Jacobus Petrus (Koos) Bekker as Director	Amend articles to Report on Climate Change Lobbying Aligned with Paris Agreement	Re-elect Helge Lund as Director
How the manager voted	Against	For	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.	LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was set to the company ahead of the meeting.	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 4	Vote 5	Vote 6
Rationale for the voting decision	<p>Remuneration Committee: A vote against has been applied because LGIM expects the Committee to comprise of independent directors.</p> <p>Climate Impact Pledge: A vote against is applied as the company is deemed to not meet minimum standards with regard to climate risk management.</p>	<p>LGIM views climate lobbying as a crucial part of enabling the transition to a net zero economy. A vote for this proposal is warranted as LGIM believes that companies should advocate for public policies that support global climate ambitions and not stall progress on a Paris-aligned regulatory environment.</p> <p>LGIM believe that additional transparency is necessary with regards to the process used by the company to assess how its direct and indirect lobbying activity aligns with its own climate ambitions, and what actions are taken when misalignment is identified.</p>	<p>Governance: A vote against is applied due to governance and board accountability concerns.</p> <p>Given the revision of the company's oil production targets, shareholders expect to be given the opportunity to vote on the company's amended climate transition strategy at the 2023 AGM. Additionally, LGIM note concerns around the governance processes leading to the decision to implement such amendments.</p>
Outcome of the vote	88.4% in favour	15.1% in favour	Information not provided
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.		
Criteria on which the vote is considered "significant"	<p>LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, their flagship engagement programme targeting companies in climate-critical sectors. More information on LGIM's Climate Impact Pledge can be found here: https://www.lgim.com/uk/en/responsible-investing/climate-impact-pledge/</p>	<p>LGIM believes that companies should use their influence positively and advocate for public policies that support broader improvements of ESG factors including, for example, climate accountability and public health. In addition, LGIM expect companies to be transparent in their disclosures of their lobbying activities and internal review processes involved.</p>	<p>High Profile Meeting and Engagement: LGIM consider this vote to be significant given our long-standing engagement with the company on the issue of climate.</p>

Ruffer, Absolute Return Fund

	Vote 1	Vote 2	Vote 3
Company name	BP Plc	Swire Pacific Limited	ArcelorMittal

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.48%	0.33%	0.29%
Summary of the resolution	Environmental - Approve Shareholder Resolution on Climate Change Targets	Governance - shareholders rights	Governance - Re-elect Lakshmi Niwas Mittal as Director
How the manager voted	Against	For	For
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?		Ruffer voted with management	
Rationale for the voting decision	<p>BP has, in Ruffer's opinion, outlined a credible transition strategy with appropriate decarbonisation targets, that reflects demand for oil & gas energy whilst allocating capital to the 'transition growth engines'. This resolution asks for "BP to align its 2030 Scope 3 aims with Paris".</p> <p>Firstly, this would require a wholesale shift in strategy, which Ruffer believe is unnecessary given the Board has opined on net zero and published a strategy. Secondly, BP in isolation has no control over what global scope 3 emissions should be under Paris, given the world continues to emit carbon and one would expect the Scope 3 reduction will have to be steeper the nearer society gets to 2030. This burden is unfair, particularly in the context of BP making long-cycle investment decisions.</p>	<p>Ruffer voted in favour of the resolution to 'Approve Share Purchase Agreement and Related Transactions', supporting management, but against ISS. Ruffer believe that approving the sale of the US Coca-Cola bottling business to the controlling shareholder is in the best interests of the minority shareholders of Swire Pacific, such as themselves.</p> <p>The strategic rationale for this deal is in-line with the stated strategy of the company to focus geographically on operations in China and SE Asia. Furthermore, this transaction realises significant hidden value for shareholders and this value is being returned in the form of a special dividend. Lastly, given the higher-interest rate environment, it makes sense to lower the leverage employed in the business, which a part of the proceeds of this transaction is going to be put towards. ISS abstained from the vote, and Ruffer believe their analysis is poor and lacking thoughtfulness.</p>	<p>Ruffer voted in line with the company but against ISS. ISS has flagged that Mr. Mittal is overboarded. He has two other boards, Aperam (Which is a spin out from ArcelorMittal), where he is a non-exec Chairman and Goldman Sachs Group, where he is a non-executive. Ruffer do not believe that Mr Mittal's commitments are excessive and believe that he is still able to commit the time required for his role at the company. As a result, Ruffer voted for his re-election.</p>
Outcome of the vote	The resolution failed with 83.3% votes against.	The resolution passed with 100.0% in favour	The resolution passed with 94.9% 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 which are currently in	Ruffer will monitor the business transaction and the way it is being executed, and will engage accordingly, if they feel the need to.	Ruffer will continue to engage with the company on governance issues and feedback our concerns on the representation on the Board.

place, and will vote against shareholder resolutions which deem as unnecessary.

Criteria on which the vote is considered "significant"

Ruffer believe this vote will be of particular interest to our clients. Ruffer support management in their effort to provide clean, reliable and affordable energy.

Ruffer believe this vote will be of particular interest to our clients. Ruffer analyse and support companies in conducting business transactions that are in the best interest of shareholders.

Votes on 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."

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 2024. Engagement activities are limited for the Scheme's government bond funds and LDI funds due to the nature of the underlying holdings, so engagement information for these funds has not been shown.

The Scheme disinvested from the GMO Equity Allocation Investment Fund on 7 November 2023. Information is therefore shown for the 12 months to 30 September 2023, reflecting the period of investment. The Scheme disinvested from the BlackRock Dynamic Diversified Growth Fund on 28 April 2023 and therefore has been excluded from the Implementation Statement on the grounds of materiality.

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
	Number of engagements undertaken on behalf of the holdings in this fund in the year	313	87	234	68	141	205	552	830
	Number of entities engaged on behalf of the	191	53	157	46	94	169	324	536

holdings in this fund in the year

Number of entities engaged at a firm level in the year 2,006

Number of engagements undertaken at a firm level in the year 2,144

Source: Legal & General Investment Management.

Source: Information provided by the investment managers.

Manager	Ruffer LLP	GMO LLC*	Insight Investments		
Fund name	Absolute Return Fund	Global Equity Allocation Investment Fund	Buy & Maintain Bond Funds	UK Corporate All Maturities Fund	High Grade ABS Fund
Number of entities engaged on behalf of the holdings in this fund in the year	25	<i>Data Not Provided</i>	80	84	35
Number of engagements undertaken on behalf of the holdings in this fund in the year	32	<i>Data Not Provided</i>	169	158	60
Number of entities engaged at a firm level in the year	47	66		571	
Number of engagements undertaken at a firm level in the year	66	230		2,521	

*The Scheme disinvested from the GMO Equity Allocation Investment Fund on 7 November 2023. GMO only provide information annually, as at 31 March. As such, the information presented below reflects the period during and post investment.

Examples of engagement activity undertaken over the year to 31 March 2024

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>APA</p> <p>APA is Australia's largest energy infrastructure business. As part of LGIM's Climate Impact Pledge Campaign, they have been engaging with the company directly since 2022.</p> <p>LGIM outlined their expectation for companies to introduce credible climate transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. This includes the disclosure of Scope 1, 2 and material Scope 3 Greenhouse gas ("GHG") emissions and short, medium and long-term GHG emissions reduction targets consistent with the 1.5°C goal.</p> <p>When APA Group brought its climate transition plan to a vote, LGIM were unable to support it due to the company failing to set scope 3 targets. LGIM initiated engagement with the company after this vote, and met with them for the first time in early 2023 as part of their Climate Impact Pledge engagement.</p> <p>APA confirmed that they will include a Scope 3 goal in the 2025 refresh of their Climate Transition Plan, and they outlined their proposed Scope 3 reduction pathway. The company noted that feedback from the 20% of investors, including LGIM, who voted against their proposed Climate Transition Plan in 2022, had solidified their decision to commit to a Scope 3 target.</p> <p>This demonstrates the effectiveness of LGIM's engagement strategy, fully aligned with their voting policy, to encourage progress towards decarbonisation.</p>
<p>Insight</p> <p>Insight have provided engagement examples at a firm level</p>	<p>Middle Eastern Bank</p> <p>Insight first engaged with the Middle Eastern bank due to its poor prime ESG scores, which were limiting the issued from being held in certain Insight portfolios with ESG restrictions. Insight engaged with the company to identify weaknesses in the bank's ESG disclosure and used the engagement to explain the ways in which the bank could address these weaknesses.</p> <ul style="list-style-type: none"> • Governance – Insight highlighted concerns in relation to overboarding and the independence of some of the board's members. Management confirmed that an audit committee will review board members' participation and will also look at the term of independent members in the following months. • Emissions reporting – Insight flagged their expectations for companies to report scope 3 emissions. The bank has not yet calculated its scope 3 emissions, but is currently engaging consultants to help address this. The bank stated that once it has collected and reported this data, it is likely that they will commit to achieving net zero in line with country-level goals. However, the bank is not willing to do so before calculating the baseline data. • Environmental and social due diligence – Insight outlined their expectations for banks to disclose their environmental and social due-diligence processes, following frameworks such as those provided by the Equator Principles. The issuer said it was looking to do so, and is already using much of the initiative's guidance in decision-making
<p>Ruffer</p> <p>Ruffer have provided engagement examples at a firm level.</p>	<p>BP</p> <p>Ruffer undertook a meeting with the CFO, VP of Investor Relations and Strategic Communications at BP to request additional reporting on low carbon or transition growth engines and financial reporting by business segment, for greater transparency. The CFO cautioned that given the scale and scope of BP and its existing asset base (some of which will be re-purposed for sustainable aviation fuel or biofuels), the company would consider this topic over the coming 12-18 months before announcing anything to the market.</p>

Manager

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

Since the CFO met with Ruffer and other investors, BP has released its annual report materials (reiterating its carbon reduction ambitions) and released additional communication which address the points about the likely total returns from renewable assets versus traditional oil and gas assets.

GMO

Numerous Clients

GMO's 2024 Engagement Plan continues their climate-focused work from 2022 and 2023. GMO are focused on the largest contributors to their net-zero portfolio carbon footprint to encourage them to report Scope 1, Scope 2, and Scope 3 greenhouse gas emissions, adopt climate change risk reporting following the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), and set science-based targets that are aligned with keeping global warming to 1.5°C at most.

In general, GMO vote against the board chair or responsible incumbent director of high-risk companies where they feel the company is not taking minimum steps toward managing climate risks. In 2023, GMO voted against the directors of 33 such companies and had 30 engagements where climate change was a topic.

Source: Information provided by the managers. No engagement examples had been provided by GMO at time of producing this implementation statement.

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.

**Prepared by the Trustees of the W Lucy Pension Scheme
20 September 2024**