



# Vascutek 2002 Pension Scheme Implementation Report

November 2024

# Background and Implementation Statement

## Background

The regulatory landscape continues to evolve as ESG becomes increasingly important to regulators and society. The Department for Work and Pensions ('DWP') has increased the focus around ESG policies and stewardship activities by issuing further regulatory guidance relating to voting and engagement policies and activities. These regulatory changes recognise the importance of managing ESG factors as part of a Trustee's fiduciary duty.

## Implementation Report

This Implementation Report is to provide evidence that the Scheme continues to follow and act on the principles outlined in the SIP.

The SIP can be found online at the web address <https://terumoaortic.com/policies/> changes to the SIP are detailed on the following page.

The Implementation Report details:

- actions the Scheme has taken to manage financially material risks and implement the key policies in its SIP;
- the current policy and approach with regards to ESG and the actions taken with managers on managing ESG risks;
- the extent to which the Scheme has followed policies on engagement, covering engagement actions with its fund managers and in turn the engagement activity of the fund managers with the companies they invest;
- voting behaviour covering the reporting year up to 30 June 2024 for and on behalf of the Scheme including the most significant votes cast by the Scheme or on its behalf.

## Summary of key actions undertaken over the Scheme reporting year

- The re-structure of the Scheme's investment strategy was completed over the period, with the holdings in BlackRock equity, diversified growth, cash and LDI fully divested on 31 August 2023, and the proceeds invested between LGIM equity, diversified growth, absolute return bonds and LDI over September 2023.
- At the 7 March 2024 Trustee meeting, it was agreed to maintain the target hedge at 90% (on the Technical Provisions basis), with the conversation to be re-visited in line with the Actuarial Valuation (once a revised funding position is known).

### Implementation Statement

This report demonstrates that the Vascutek 2002 Pension Scheme has adhered to its investment principles and its policies for managing financially material considerations including ESG factors and climate change.

Signed *Lorna McGill*

Position **Compensation and Benefits Manager**

Date **30 January 2025**

# Managing risks and policy actions

Risk / Policy	Definition	Policy	Actions and details on changes to policy
Interest rates and inflation	The risk of mismatch between the value of the Scheme assets and present value of liabilities from changes in interest rates and inflation expectations.	To hedge 90% of these risks whilst ensuring compliance with all regulatory guidance in relation to leverage and collateral management.	The Trustee reviewed the suitability of the hedge level over the period, and agreed to maintain it at 90%.
Liquidity	Difficulties in raising sufficient cash when required without adversely impacting the fair market value of the investment.	To maintain a sufficient allocation to liquid assets so that there is a prudent buffer to pay members benefits as they fall due (including transfer values), and to provide collateral to the LDI/synthetic equity/credit manager.	The Trustee's revised investment strategy has a significant focus on improving liquidity, both on an ongoing basis and in times of market stress.
Market	Experiencing losses due to factors that affect the overall performance of the financial markets.	To remain appropriately diversified and hedge away any unrewarded risks, where practicable.	The decision making process around the revised investment strategy took market risks into account.
Credit	Default on payments due as part of a financial security contract.	To diversify this risk by investing in a range of credit markets across different geographies and sectors.  To appoint investment managers who actively manage this risk by seeking to invest only in debt securities where the yield available sufficiently compensates the Scheme for the risk of default.	The decision making process around the revised investment strategy took credit risks into account.
Environmental, Social and Governance	Exposure to Environmental, Social and Governance factors, including but not limited to climate change, which can impact the performance of the Scheme's investments.	To appoint managers who satisfy the following criteria, unless there is a good reason why the manager does not satisfy each criteria:  1. Responsible Investment ('RI') Policy / Framework  2. Implemented via Investment Process	The agreement of the revised investment strategy, including the appointment of LGIM to manage a range of new mandates, incorporated the review of ESG considerations throughout the process.

		<p>3. A track record of using engagement and any voting rights to manage ESG factors</p> <p>4. ESG specific reporting</p> <p>5. UN PRI Signatory</p> <p>6. UK Stewardship Code signatory</p> <p>The Trustees monitor the managers on an ongoing basis.</p>
Currency	The potential for adverse currency movements to have an impact on the Scheme's investments.	Hedge all currency risk on all assets that deliver a return through contractual income.

# Changes to the SIP

The Sip was updated in October 2023 to reflect regulatory requirements and significant changes to the scheme assets, i.e. the complete disinvestment of Blackrock assets and introduction of new LGIM funds. The collateral framework was also updated and expanded upon, with an official collateral waterfall and collateral management policy put in place. Other minor updates were also made, for example adding information on voting and engagement policies to the appendix. Changes are detailed below.

Policies added to the SIP	
Date updated: October 2023	
<b>Purpose of this Statement</b>	<ul style="list-style-type: none"><li>• This SIP has been prepared by the Trustees of the Vascutek 2002 Pension Scheme (the "Scheme"). This statement sets out the principles governing the Trustee's decisions to invest the assets of the Scheme.</li><li>• The Scheme's investment strategy is derived from the Trustee's investment objectives. The objectives have been taken into account at all stages of planning, implementation and monitoring of the investment strategy.</li></ul>
<b>Leverage and collateral management</b>	<ul style="list-style-type: none"><li>• The Trustee will adhere to all relevant regulatory requirements in relation to leverage and collateral management within the Scheme's liability hedging (LDI) portfolio.</li><li>• The Trustee has a stated collateral management framework. The Trustee has agreed a process for meeting collateral calls should these be made by the Scheme's LDI investment manager. The Trustee will review and stress test this policy / framework on a regular basis.</li><li>• Further details on this can be found in Appendix D.</li></ul>
<b>Environmental, Social, Corporate Governance factors and the exercising of rights</b>	<ul style="list-style-type: none"><li>• The Trustees will engage, via their investment adviser, with investment managers and/or other relevant persons about relevant matters.</li></ul>
<b>Employer-related investments</b>	<ul style="list-style-type: none"><li>• The policy of the Trustee is not to hold any employer-related investments as defined in the Pensions Act 1995 and the Occupational Pension Schemes (Investment) Regulations 2005 except where the Scheme invests in collective investment schemes that may hold employer-related investments. In this case, the total exposure to employer-related investments will not exceed 5% of the Scheme's total asset value. The Trustee will monitor this on an ongoing basis to ensure compliance.</li></ul>

**Direct investments**

- Direct investments, as defined by the Pensions Act 1995, are products purchased without delegation to an investment manager through a written contract. When selecting and reviewing any direct investments, the Trustee will obtain appropriate written advice from their investment advisers.

**Compliance**

- This Statement has been prepared in compliance with the Pensions Act 1995, the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005. Before preparing or subsequently revising this Statement, the Trustee has consulted the sponsoring company and took appropriate written advice. The Statement is reviewed at least every three years, and without delay after any significant change in the investment arrangements.

**Appendix A**

<b>Investment Manager</b>	<b>Asset Class</b>	<b>Strategic Benchmark (%)</b>	<b>Expected Return<sup>1</sup> (%)</b>
LGIM	Global Equity	10.0	4.0
LGIM	Diversified Growth	15.0	3.5
Partners Group	Direct Lending	20.0	4.2
IFM	Infrastructure Equity	10.0	4.6
LGIM	Absolute Return Bonds	17.0	1.5
LGIM	LDI	28.0	0.0
	<b>Total</b>	<b>100.0</b>	<b>2.8%</b>

**Appendix B - Interest rates and inflation**

- To hedge 90% of these risks whilst ensuring compliance with all regulatory guidance in relation to leverage and collateral management.

**Appendix B - Liquidity**

- To maintain a sufficient allocation to liquid assets so that there is a prudent buffer to pay members benefits as they fall due (including transfer values), and to meet regulatory guidance around providing collateral to the LDI/synthetic equity/credit manager.

- Environmental, Social and Governance
- To appoint managers who satisfy the following criteria, unless there is a good reason why the manager does not satisfy each criteria:
    - Responsible Investment ('RI') Policy / Framework
    - Implemented via Investment Process
    - A track record of using engagement and any voting rights to manage ESG factors
    - ESG specific reporting
    - UN PRI Signatory
    - UK Stewardship Code signatory
  - The Trustee monitors the managers on an ongoing basis.

- Appendix C - Voting Policy - How the Trustee expects investment managers to vote on their behalf
- The Trustee has acknowledged responsibility for the voting policies that are implemented by the Scheme's investment managers on their behalf.

- Appendix C - Engagement Policy - How the Trustee will engage with investment managers, direct assets, and others about 'relevant matters'
- The Trustee has acknowledged responsibility for the engagement policies that are implemented by the Scheme's investment managers on their behalf.
  - The Trustee, via their investment advisers, will engage with managers about 'relevant matters' at least annually.
  - Example stewardship activities that the Trustee has considered are listed below.
    - Selecting and appointing asset managers – the Trustee will consider potential managers' stewardship policies and activities
    - Asset manager engagement and monitoring –the Trustee assesses the voting and engagement activity of their asset managers. The results of this analysis feeds into the Trustee's investment decision making
  - Collaborative investor initiatives – the Trustee will consider joining/ supporting collaborative investor initiatives

Appendix D Collateral management policy

- At the time of writing, the Trustee is targeting a level of collateral over and above that within the Scheme's LDI funds that is sufficient to withstand (at least) one collateral call from each of the Scheme's LDI funds.
- The Trustee will review its collateral management policy no less frequently than annually, or as soon as possible in the event of significant market movements.
- The Scheme has a collateral waterfall system in place. Assets held with the same manager as the LDI mandate are shown in bold, reflecting the lower governance burden on the Trustee.

Manager	Asset Class	Dealing frequency	Notice period	Settlement period
<b>LDI manager</b>	<b>LDI</b>	<b>Weekly frequency</b>	<b>T - 2</b>	<b>T + 2</b>
<b>LDI manager</b>	<b>Absolute Return Bonds</b>	<b>Daily frequency</b>	<b>T - 1</b>	<b>T + 2</b>
<b>LDI manager</b>	<b>Diversified Growth</b>	<b>Daily frequency</b>	<b>T - 1</b>	<b>T + 2</b>



LDI manager	Equity	Daily frequency	T - 1	T + 2
-------------	--------	-----------------	-------	-------

---

# Current ESG policy and approach

## ESG as a financially material risk

The SIP describes the Scheme's policy with regards to ESG as a financially material risk. This page details the Scheme's ESG policy. The next page details our view of the managers, our actions for engagement and an evaluation of the engagement activity.

<b>Risk Management</b>	<ol style="list-style-type: none"><li>1. Integrating ESG factors, including climate change risk, represents an opportunity to increase the effectiveness of the overall risk management of the Scheme</li><li>2. ESG factors can be financially material and managing these risks forms part of the fiduciary duty of the Trustee</li></ol>
<b>Approach / Framework</b>	<ol style="list-style-type: none"><li>3. The Trustee should understand how asset managers make ESG decisions and will seek to understand how ESG is integrated by each asset manager.</li><li>4. ESG factors are relevant to investment decisions in all asset classes.</li><li>5. Managers investing in companies' debt, as well as equity, have a responsibility to engage with management on ESG factors.</li></ol>
<b>Reporting &amp; Monitoring</b>	<ol style="list-style-type: none"><li>6. Ongoing monitoring and reporting of how asset managers manage ESG factors is important.</li><li>7. ESG factors are dynamic and continually evolving; therefore, the Trustee will receive training as required to develop their knowledge.</li><li>8. The role of the Scheme's asset managers is prevalent in integrating ESG factors; the Trustee will, alongside the investment advisor, monitor ESG in relation to the asset managers' investment decisions.</li></ol>
<b>Voting &amp; Engagement</b>	<ol style="list-style-type: none"><li>9. The Trustee will seek to understand each asset managers' approach to voting and engagement when reviewing the asset managers' approach.</li><li>10. Engaging is more effective in seeking to initiate change than disinvesting.</li></ol>
<b>Collaboration</b>	<ol style="list-style-type: none"><li>11. Asset managers should sign up and comply with common codes and practices such as the UNPRI &amp; Stewardship code. If they do not sign up, they should have a valid reason why.</li><li>12. Asset managers should engage with other stakeholders and market participants to encourage best practice on various issues such as board structure, remuneration, sustainability, risk management and debtholder rights.</li></ol>

# ESG summary and actions with the investment managers

Compensatio and Benefit

Manager and Fund	ESG Summary	Actions identified	Engagement with manager commentary
<b>LGIM World Equity Index Fund</b>	LGIM continues to grow their dedicated and experienced ESG team that drive engagement with portfolio companies on key ESG issues.	Isio proposed LGIM should increase the percentage of portfolio companies they engage with (currently 48%) and LGIM should strive to have their ESG metrics and data independently verified to ensure accuracy of key metrics and data.	<p>At a firm level LGIM is strong in their approach to ESG and voting/engagement.</p> <p>Isio engaged with the manager on behalf of the Trustee over the period.</p> <p>Following engagement, LGIM considered mandating ESG training across its investment divisions, by providing training for investment professionals regarding the development of sustainability and governance changes. LGIM is now producing Scope 3 emissions data for the fund.</p>
<b>LGIM Diversified Fund</b>	LGIM have clearly identified firm-wide sustainability goals and have a dedicated team responsible for engaging with portfolio companies.	<p>Isio proposes that LGIM should introduce fund specific ESG objectives and KPIs. They should have ESG specialists that feed into decision-making and risk management process. LGIM should continue to expand reporting capabilities to meet TCFD requirements in regular, reporting and independently verify ESG metrics and data reporting.</p> <p>They should also look to increase listed equities' UNPRI score to 5.</p>	<p>LGIM aim to include social and governance metrics in future versions of the ESG quarterly reporting. LGIM's ESG quarterly reports provide data on carbon, voting and stewardship and are looking to streamline their ESG reporting output with the aim of integrating reporting with standard client quarterly reports.</p>
<b>LGIM Absolute Return Bond Fund</b>	<p>LGIM has a well-defined firm wide ESG policy and a net zero commitment. LGIM provides ESG scores for all assets within the portfolio and can provide the required TCFD Scope 1 and 2 metrics.</p> <p>LGIM also encourages investee companies to align sustainability reporting with best-practice frameworks. LGIM collaborates with a range of industry participants to monitor and</p>	<p>Isio proposed LGIM should develop a process for independently assessing the effectiveness of green/sustainability-linked/use-of-proceeds bonds.</p> <p>LGIM should work on reporting nature or bio-diversity related metrics in line with the Taskforce on Nature-related Financial Disclosures (TNFD).</p>	<p>However, this is dependent on upgrading internal systems before they can incorporate the ESG information into the quarterly investment reports.</p> <p>LGIM can report in line with TCFD and are progressing work around TNFD reporting.</p>

	influence a broad range of ESG topics.		
<b>LGIM LDI Funds</b>	<p>LGIM is actively committed to integrating ESG considerations into LDI funds. Their dedicated ESG team plays a crucial role in stewardship and responsible investment, ensuring premium risk management through their proprietary tools</p>	<p>LGIM should introduce a formal ESG training program with defined training priorities. They should provide better incentives, more choice and encouragement to investors for using Active ESG tool to maximise engagement, improving outcomes. LGIM should also increase GHG data coverage for holdings within the fund.</p>	<p>Following Isio's engagement, LGIM is working on enhanced ESG counterparty reporting for delivery to clients. LGIM is also looking to maximise engagement for using Active ESG tool through more choice, awareness, encouragement, and incentives to investors.</p>
<b>IFM Global Infrastructure Fund</b>	<p>IFM comprehensively integrate the firm's Responsible Investment Charter throughout the Fund's investment process and have a clear process for ESG integration through the investment process.</p> <p>They have specifically included climate concerns throughout their assessment approach, with quantifiable metrics and targets at Fund level. GIF should complete its emission reduction plans at the asset level at the earliest opportunity to assess alignment with its net zero targets.</p>	<p>IFM should develop an ESG scorecard approach to quantify ESG risks, make climate and social factors a stewardship priority, and improve climate scenario testing and impact on Fund value.</p> <p>IFM should continue to improve overall Fund level reporting on ESG metrics, particularly social metrics.</p>	<p>Following Isio engagement, IFM is working to provide carbon emissions data as specified by the Partnership for Carbon Accounting Financials (PCAF) but could continue to improve the reported carbon metrics for the Fund.</p>
<b>Partners Group Private Markets Credit Strategies ('PMCS') 2020 Fund</b>	<p>PG continue to demonstrate a strong firm-wide approach to ESG and have strong ESG teams and practices.</p> <p>They have a strong screening process in their investment approach, using industry recognised guidance, such as the TCFD and UN Global Impact. However, PG lag peers in reporting and therefore seen their score downgraded in this area.</p>	<p>Isio proposed Partners Group should review and update the ESG scorecard on an annual basis, include climate and social risks within ESG assessments.</p> <p>Partners Group should provide examples of engagements where they have enhanced ESG specific factors within the mandate and introduce ESG reporting in regular fund reporting, including ESG metrics.</p>	<p>Isio engaged with Manager on behalf of the Trustee over the period.</p> <p>Following this engagement, Partners Group are working to set Fund level ESG objectives and begin reporting on temperature pathway alignment and emissions data at a Fund-level.</p>

# Engagement

## Compensatio

As the Scheme invests via fund managers the managers provided details on their engagement actions including a summary of the engagements by category for the 12 months to 30 June 2024.

Fund name	Engagement summary	Commentary
LGIM World Equity Index Fund	<p>Total Engagements: 1,823</p> <p>Environmental: 1,246</p> <p>Social: 128</p> <p>Governance: 339</p> <p>Other: 110</p>	<p>LGIM's Investment Stewardship team are responsible for engagement activities across all funds. LGIM share their finalised ESG scorecards with portfolio companies and the metrics on which they are based.</p> <p>Examples of significant ESG-related initiatives implemented by assets held in the Fund over the year include:</p> <p><b>Nestlé SA</b> – LGIM engaged with Nestlé SA several times in 2023 to discuss their concerns particularly regarding their definition of healthy products, and their plans not just to monitor but also actively increase their sales on healthier products. LGIM put pressure on the company to set a proportional target to increase the sale of healthier products, that sits within the broader aim of the ShareAction Healthy Markets Initiative, which is to improve people's health by increasing access to healthy and affordable food. Nestlé SA announced on September 2023 that they aim to grow the sales of their more nutritious products by CHF20–25 billion by 2030.</p> <p><b>JP Morgan Chase</b> – LGIM engaged with the company regarding the Climate Impact Pledge, which is a crucial part of transitioning to a net zero</p>

		<p>economy by 2050. JP Morgan has made a commitment to set targets to transition to net zero greenhouse emissions by 2050 or sooner, and to set interim targets for 2030, consistent with a 1.5C trajectory. These targets were set against the IEA's SDS scenario, which was quickly becoming outdated. LGIM pushed the bank to increase the number of sectors covered by its interim targets and review target ranges and base lines. In November 2023, JP Morgan Chase published their climate report, which includes updated targets on 9 sectors and now are based on IEA NZE50 scenario.</p>
<p><b>LGIM Diversified Fund</b></p>	<p>Total Engagements: 4372  Environmental: 3462  Social: 224  Governance: 508  Other: 178</p>	<p>An example of the ESG activity undertaken within the portfolio is:</p> <p><b>Shell Plc</b> – LGIM has engaged with Shell Plc for a number of years on climate change. A few of the objectives of this engagement included seeking further clarity around future oil and gas production, detailed breakdown of upstream and downstream targets, concerns around planned investments in the low carbon business and their contribution around energy transition. Shell had previously planned to drop its oil production by 1-2% p.a. to 2030 and has effectively met its target. LGIM and as part of CA100+ group continue to engage with the company to strengthen key elements of disclosure and targets to meet their strategic engagement objectives.</p>

<p><b>LGIM Absolute Return Bond Fund</b></p>	<p>Total Engagements: 398</p> <p>Environmental: 235</p> <p>Social: 22</p> <p>Governance: 97</p> <p>Other: 44</p>	<p>An example of the ESG activity undertaken within the portfolio is:</p> <p><b>Bayer AG</b> – LGIM engaged with Bayer on managing the litigation risks regarding its herbicide portfolio and management changes. Bayer faces not only litigation risks but also greatly diminished growth prospects in its core pharmaceuticals business. LGIM has sought to guide Bayer away from a path that eschews investing for long-term growth in exchange for short term equity gains. LGIM used a bond deal marketing call to advocate for a clearer message from Bayer regarding its view of what's its core business is and remains engaged with the company.</p>
<p><b>LGIM LDI Funds</b></p>	<p>LGIM have engaged with a number of industry participants on long term strategic issues in relation to LDI, including:</p> <ul style="list-style-type: none"> <li>- The introduction of central clearing;</li> <li>- The LIBOR transition;</li> <li>- Recognising the pricing issues with bilateral RPI swaps.</li> </ul>	<p>LGIM leverage the wider capabilities of the global firm to engage with companies. The team also regularly engage with regulators, governments, and other industry participants to address long term structural issues, aiming to stay ahead of regulatory changes and adopt best practice.</p>
<p><b>IFM Global Infrastructure Fund</b></p>	<p>IFM currently do not issue the total number of engagements that have occurred over the one-year period to 30 June 2024. Isio are actively engaging with the manager to encourage providing of such information.</p>	<p>IFM provide some case specific information about ESG-related initiatives for assets held in the Fund over the year, however IFM do not show how they have engaged in those cases.</p> <p>Examples of significant ESG-related initiatives implemented by assets held in the Fund over the year include:</p> <p><b>Naturgy</b> – IFM actively engage with the company's board and management on environmental / climate change matters. Naturgy represents c.30% of IFM's 2030 decarbonisation target. Naturgy is targeting to reduce its Scope 1 and 2 emissions by 48% compared to a 2017 baseline and transition to a 60% renewable energy</p>

## Compensatio

generation mix. As part of the long-term climate strategy, the company is seeking to increase the installed capacity of renewable generation, supporting the development of biomethane and green hydrogen as new products, developing storage systems and improving value chain energy efficiency.

### **Mersin International Port ('MIP')**

– IFM work closely with the company to drive and continuously improve safety performance. IFM continues to monitor the delivery of MIPs Safety Remedial Actions and support MIP's Safety programme of work. Safety performance has improved in 2023 with reported Lost Time Incident Frequency Rate ("LTIFR") down 15% vs 2022 levels. Since GIF's initial investment, efforts to improve safety have materially reduced the LTIFR by 71%.

In Q2 2024, MIP hired a new Health and Safety ("H&S") Head with safety transformation experience to bolster the capabilities of its H&S department.

### **Partners Group Private Markets Credit Strategies ('PMCS') 2020 Fund**

Total engagements: 3

Corporate: 1

ESG: 2

Partners Group maintain ongoing contact with the management teams of their portfolio companies, however, given their position as lenders they will typically rely on the equity sponsor to report ESG-related concerns and drive ESG improvements. Investing in private companies also reduces the transparency of the information available to assess ESG risks.

An example of the ESG activity undertaken within the portfolio include:

**Meine Radiologie** – Partners Group engaged with the Management and Sponsor in relation to laying out key ESG targets, which were agreed with reducing Co2 footprint per patient, increasing the share of





renewable energy, targeting 75% in 2024. Partners Group laid out employee satisfaction target metrics and strategy – long term attrition rate <5% and achieve 75% employee participation in employee surveys.

# Voting (for equity/multi asset funds only)

The Trustee has acknowledged responsibility for the voting policies that are implemented by the Scheme's investment managers on its behalf.

The Scheme's equity and diversified growth manager has provided details on its voting actions including a summary of the activity covering the reporting year up to 30 June 2024. The Trustee has adopted the manager's definition of significant votes and has not set stewardship priorities. The manager has provided examples of votes they deem to be significant. When requesting data annually, via their investment consultant, the Trustee informs their managers what they deem most significant.

Fund name	Voting summary	Examples of significant votes	Commentary
LGIM World Equity Index Fund	Meetings eligible to vote for: 2,964	<b>Apple Inc -</b> Date of the vote: 28/02/2024	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 research and proprietary ESG assessment tools.
	Resolutions eligible to vote for: 36,188	Approximate size of fund's holding (as a % of portfolio): 4.2%	
	Resolutions voted for: 99.72%	How you voted: Against	
	Resolutions voted with management: 79.41%	Outcome of the vote: Fail	
	Resolutions voted against management: 20.33%	Summary of the resolution: As part of their commitment to improving independence in the underlying companies in which they invest, LGIM voted against the report on risks of omitting viewpoint and ideological diversity from EEO policy. The rationale behind this decision was that Apple appears to be providing shareholders with sufficient disclosure around its diversity, inclusion efforts, non-discrimination policies, including viewpoint	
	Resolutions abstained from: 0.27%		
	Resolutions voted contrary to proxy advisor: 14.94%		

and ideology in EEO policies that does not appear to be a standard industry practice. LGIM will continue to engage with investee companies, publicly advocate their position on this issue and monitor company and market-level progress.

<b>LGIM Diversified Fund</b>	Meetings eligible to vote for: 10,172	<b>Unilever Plc –</b> Date of the vote: 01/05/2024
	Resolutions eligible to vote for: 105,146	Approximate size of fund's holding (as a % of portfolio): 0.18%
	Resolutions voted for: 99.79%	How you voted: For
	Resolutions voted with management: 76.40%	Outcome of the vote: Pass
	Resolutions voted against management: 22.97%	Summary of the resolution: LGIM voted for the Climate Transition Action Plan as it met the minimum expectations set by LGIM. This includes 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.
	Resolutions abstained from: 0.62%	LGIM remain supportive of the net zero trajectory of the company at this stage.
	Resolutions voted contrary to proxy advisor: 14.08%	

