

Implementation Statement, covering the Plan Year from 1 January 2024 to 31 December 2024 (the “Plan Year”)

The Trustee of the Threadneedle Pension Plan (the “Plan”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed its Statement of Investment Principles (“SIP”) during the Plan Year, as well as details of any review of the SIP during the Plan Year, subsequent changes made with the reasons for the changes, and the date of the last SIP review. Information is provided on the last review of the SIP in Section 1 and on the implementation of the SIP in Sections 2-9 below.

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

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

This Statement is based on the Plan’s latest SIP which was in place during the Plan Year – dated June 2023 – the one that was in place as at year end. This Statement should be read in conjunction with the latest SIP which can be found here: [Threadneedle Pension Plan - Statement of Investment Principles.pdf](#).

1. Introduction

No review of the SIP was undertaken during the Plan Year. The last time the SIP was formally reviewed was June 2023.

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

2. Investment objectives

2.1 Defined Benefit (“DB”) Section

Progress against the long-term journey plan is reviewed as part of the biannual performance monitoring reports. As at 31 December 2024 the Plan was approximately 138% funded on the 2023 Technical Provisions basis. Progress against the Plan’s Technical Provisions and Low Dependency bases and the long-term journey plan is reviewed as part of the biannual performance monitoring reports.

2.2 Additional Voluntary Contributions and Annual Employer Contributions (collectively “AVC”) Section

The Trustee last reviewed the AVC default arrangement in May 2023, in which the Trustee reviewed the performance and strategy of all the funds available to members and the Trustee was satisfied that the arrangements were broadly appropriate. These options comprised a default lifestyle strategy and self-select fund range covering a variety of major asset classes as set out in the SIP.

Following this review, the Trustee transferred the AVC assets to L&G’s Master Trust during the Plan Year, with the transfer taking place during September and October 2024.

3. Investment strategy

3.1 DB Section

The Trustee, with the help of its advisers and in consultation with the sponsoring employer, reviewed the strategy in November 2024. The purpose of the review was to assess the Plan’s cashflow management policy, following agreement between the Trustee and Sponsor for the Plan to meet its future expenses using the Plan’s assets. As part of this review, the Trustee made sure the Plan’s cashflow needs for the next five years were considered, to ensure the Plan’s changing needs were appropriately accounted for in line with the evolution of the Plan’s membership.

3.2 AVC Section

Following a review of the AVC arrangement in May 2023, during the Plan Year, the Trustee moved the Plan's existing AVC arrangements to a new "Master Trust" with Legal & General, given the more favourable terms offered compared to the pre-existing arrangements.

The Trustee reviews member data provided in the administration reports on a quarterly basis to see how members access their benefits.

4. Considerations in setting the investment arrangements

When the Trustee reviewed the DB strategy in relation to cashflow management in December 2024, it considered the investment risks set out in Section 4.1 of this Statement, in particular with a view to managing liquidity risk. The Trustee considered the specific circumstances of the Plan (eg the investment objectives, funding position, level of contributions and strength of the sponsor covenant and level of cash required).

The Trustee invests for the long term, to provide for the Plan's members and beneficiaries. To achieve good outcomes for members and beneficiaries over this investment horizon, the Trustee therefore seeks to appoint managers whose stewardship¹ activities are aligned to the creation of long-term value and the management of long-run systemic risks.

The Plan's investment adviser, LCP, monitors the investment managers on an ongoing basis, through regular research meetings. The investment adviser monitors any developments at managers and informs the Trustee promptly about any significant updates or events they become aware of regarding the Plan's investment managers that may affect the managers' ability to achieve their investment objectives. This includes any significant change to the investment process or key staff for any of the funds the Plan invests in, or any material change in the level of diversification in the funds.

The Trustee monitors the performance of the Plan's investment managers on a biannual basis, using a monitoring report prepared by the investment adviser. The report shows the performance of each fund over the previous four quarters, one year and three years. Performance is considered in the context of the manager's benchmark and objectives.

4.1 Policy towards risk

Risks are monitored on an ongoing basis with the help of the investment adviser. The Trustee maintains a risk register and this is discussed at quarterly meetings.

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

Together, the investment and non-investment risks give rise generally to funding risk. During the year, the Trustee formally reviewed the Plan's funding position as at 31 December 2024 as part of its annual actuarial report. The Trustee also informally monitors the funding position more regularly, on a biannual basis at Trustee meetings.

With regard to the risk of inadequate returns, the Plan was assessed to be already fully funded on the Low Dependency basis, ahead of its 2035 target.

The Plan's interest and inflation hedging levels are monitored on an ongoing basis in the biannual monitoring report. Over the Plan Year the Plan's hedging levels were broadly in line with the target levels.

With regard to collateral adequacy risk, the Trustee holds investments in the Columbia Threadneedle ('CT') Sterling Liquidity Fund alongside the Liability Driven Investment ('LDI') portfolio, to be used should the LDI manager require cash to be posted for a deleverage event. Further, the Trustee's allocation to the CT Net Zero Transition Low Duration Credit Fund is a daily dealt fund which provides additional liquidity if required. CT produces quarterly stress testing of the Plan's Liability Driven Investment ('LDI') portfolio. As at 31 December 2024, the Plan held sufficient non-LDI assets to withstand yield rises of more than 10%.

¹ The responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

With regard to covenant risk, the Trustee receives regular updates at Trustee meetings from its advisers and the Plan's sponsoring employer. The Trustee assesses this more formally as part of the triennial actuarial valuation, and in 2021 (as part of the 2020 valuation process) the Trustee assessed the Plan's overall covenant strength as "strong". An updated covenant assessment is underway. With regard to the risk of not meeting members' reasonable expectations in the AVC Section, during the Plan Year the Trustee had transferred this section to L&G, who had been assessed to be an appropriate manager for these assets.

The following risks are covered elsewhere in this Statement: mismatching risk in Section 4, cashflow risk in Section 6, manager risk in Section 5, the risk of lack of diversification in Section 3, operational risk in Section 8 and the risk of the funds in the default AVC strategy being unsuitable for members in Section 2.

5. Implementation of the investment arrangements

Over the Plan Year, the Trustee transferred the AVC assets of the Plan from Prudential to the L&G Master Trust. Before appointing L&G, the Trustee received information on the investment process and philosophy, the investment team and past performance. The Trustee also considered the L&G's approach to responsible investment and stewardship. The Trustee obtained formal written advice from its investment adviser, LCP, before transferring the assets and made sure the investment portfolio of the L&G Master Trust was adequately and appropriately diversified. The Trustee relies on its investment adviser's research to understand managers' investment approaches, and ensure they are consistent with the Trustee's policies prior to any new appointment.

The Trustee evaluates manager performance over both shorter and longer periods, encourages managers to improve practices and considers alternative arrangements where managers are not meeting performance objectives. Section 9 provides more detail on the activities carried out over the year.

The Trustee undertook a "value for members" assessment in June 2025 for the DC Section assets for the Plan Year up to the point the assets were transferred to the L&G Mastertrust in September 2024. This review assessed a range of factors, including the fees payable to managers in respect of the DC Section which were found to be reasonable when compared against schemes with similar sizes of mandates.

Overall, the Trustee believes the investment managers provide reasonable value for money.

6. Realisation of investments

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

During the Plan Year, the Trustee agreed to switch its investments in the Dynamic Real Return Fund and CT Net Zero Low Duration Credit Fund from accumulating to income distributing share classes to help manage the Plan's cashflow requirements. This was carried out following the Plan Year end.

For the AVC assets, it is the Trustee's policy is to invest in funds that offer daily dealing to enable members to readily realise and change their investments. All of the AVC Section funds which the Trustee offered during the Plan Year were daily priced.

7. Financially material considerations, non-financial matters

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

LCP produces a Responsible Investment Survey every two years. The Trustee last reviewed the results of the 2022 survey in June 2022. The 2024 edition of the survey was released in late 2024, and the Trustee is due to review the results of the latest survey in 2025.

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

8. Investment governance, responsibilities, decision-making and fees

As mentioned in Section 5, the Trustee assesses the performance of the Plan's investments on an ongoing basis as part of the biannual monitoring reports it receives.

The performance of the professional advisers is considered on an ongoing basis by the Trustee.

The Trustee has put in place formal objectives for its investment adviser and will review the adviser's performance against these objectives at least annually.

9. Voting and engagement

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

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

Following the introduction of DWP's guidance, the Trustee agreed to set stewardship priorities to focus monitoring and engagement with their investment managers on specific ESG factors. In the previous Plan Year, the Trustee discussed and agreed stewardship priorities for the Plan, which were climate change, human rights and corporate governance. These priorities were selected because the Trustee views them as key market-wide risks and areas where it believes that good stewardship and engagement can improve long-term financial outcomes for the Plan's members.

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

10. Description of voting behaviour during the Plan Year

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

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

- CT Dynamic Real Return Fund (DB Section)
- Prudential Dynamic Global Equity Fund (AVC Section)

We have omitted the voting data for other funds held in the AVC Section on materiality grounds since its physical equity holdings are only a small proportion of the Plan's total equity holdings.

10.1 Description of the voting processes

10.1.1 CT Dynamic Real Return Fund

What is your policy on consulting with clients before voting?

"Generally, we feel that voting consistently across our clients' holdings gives them greater influence to effect positive change. We think carefully about how we vote, be that through execution of our Corporate Governance guidelines, or in discussion with portfolio managers on higher profile or more complex resolutions.

We can, however, accommodate clients' requests to vote on resolutions in a manner different to our policies, when they are invested in a segregated mandate.

Clients who wish to monitor voting decisions outside the normal reporting cycle can receive a preview of voting intentions for their portfolio. Alternatively, clients can be granted access to our voting platform on a read-only basis. For high-profile issues, we can pro-actively advise our clients on our intention to vote well in advance of the meeting.

Our clients then have the option to state their preference and vote differently.

To ensure transparency, clients receive detailed vote reports including comments on resolutions where we do not support management. Vote reports are publicly available online the day after each shareholder meeting. Finally, annual vote statistics, case studies and other highlights are published on our website in our Stewardship Report.

We continue to investigate technology solutions to enable clients in pooled funds to express their voting intentions."

Please provide an overview of your process for deciding how to vote.

"Proxy voting decisions are made in accordance with the principles established in the Columbia Threadneedle Investments Corporate Governance and Proxy Voting Principles (Principles) document, and our proxy voting practices are implemented through our Proxy Voting Policy.

For those proposals not covered by the Principles, or those proposals set to be considered on a case by case basis (i.e., mergers and acquisitions, share issuances, proxy contests, etc.), the analyst covering the company or the portfolio manager that owns the company will make the voting decision. We utilise the proxy voting research of ISS and Glass Lewis & Co., which is made available to our investment professionals, and our RI team will also consult on many voting decisions.

The administration of our proxy voting process is handled by a central point of administration at our firm (the Global Proxy Team). Among other duties, the Global Proxy Team coordinates with our third-party proxy voting and research providers.

Columbia Threadneedle Investments utilises the proxy voting platform of Institutional Shareholder Services, Inc. (ISS) to cast votes for client securities and to provide recordkeeping and vote disclosure services. We have retained both Glass, Lewis & Co. and ISS to provide proxy research services to ensure quality and objectivity in connection with voting client securities.

In voting proxies on behalf of our clients, we vote in consideration of all relevant factors to support the best economic outcome in the long-run. As an organisation, our approach is driven by a focus on promoting and protecting our clients' long-term interests; while we are generally supportive of company management, we can and do frequently take dissenting voting positions. While final voting decisions are made under a process informed by the RI team working in collaboration with portfolio managers and analysts, our Global Proxy Team serves as the central point of proxy administration with oversight over all votes cast and ultimate responsibility for the implementation of our Proxy Voting Policy. Our voting is conducted in a controlled environment to protect against undue influence from individuals or outside groups".

How, if at all, have you made use of proxy voting services?

"As active investors, well informed investment research and stewardship of our clients' investments are important aspects of our responsible investment activities. Our approach to this is framed in the relevant Responsible Investment Policies we maintain and publish. These policy documents provide an overview of our approach in practice (e.g., around the integration of environmental, social and governance (ESG) and sustainability research and analysis).

As part of this, acting on behalf of our clients and as shareholders of a company, we are charged with responsibility for exercising the voting rights associated with that share ownership. Unless clients decide otherwise, that forms part of the stewardship duty we owe our clients in managing their assets. Subject to practical limitations, we therefore aim to exercise all voting rights for which we are responsible, although exceptions do nevertheless arise (for example, due to technical or administrative issues, including those related to Powers of Attorney, share blocking, related option rights or the presence of other exceptional or market-specific issues). This provides us with the opportunity to use those voting rights to express our preferences on relevant aspects of the business of a company, to highlight concerns to the board, to promote good practice and, when appropriate, to exercise related rights. In doing so we have an obligation to ensure that we do that in the best interests of our clients and in keeping with the mandate we have from them.

Corporate governance has particular importance to us in this context, which reflects our view that well governed companies are better positioned to manage the risks and challenges inherent in business, capture opportunities that help deliver sustainable growth and returns for our clients. Governance is a term used to describe the

arrangements and practices that frame how directors and management of a company organise and operate in leading and directing a business on behalf of the shareholders of the company. Such arrangements and practices give effect to the mechanisms through which companies facilitate the exercise of shareholders' rights and define the extent to which these are equitable for all shareholders.

We recognise that companies are not homogeneous and some variation in governance structures and practice is to be expected. In formulating our approach, we are also mindful of best practice standards and codes that help frame good practice, including international frameworks and investment industry guidance. While we are mindful of company and industry specific issues, as well as normal market practice, in considering the approach and proposals of a company we are guided solely by the best interests of our clients and will consider any issues and related disclosures or explanations in that context. While analysing meeting agendas and making voting decisions, we use a range of research sources and consider various ESG issues, including companies' risk management practices and evidence of any controversies. Our 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".

What process did you follow for determining the "most significant" votes?

"We consider a significant vote to be any dissenting vote i.e. where a vote is cast against (or where we abstain/withhold from voting) a management-tabled proposal, or where we support a shareholder-tabled proposal not endorsed by management. We report annually on our reasons for applying dissenting votes via our website.

10.1.2 Prudential Dynamic Global Equity Passive Fund

The fund is invested in a number of underlying pooled equity funds managed by BlackRock, Legal & General Investment Management ("LGIM"), Northern Trust and M&G. The voting is carried out by those fund managers. In response to the Trustee's questions, Prudential provided details of how each manager described its voting policy. Their responses are summarised below:

What is your policy on consulting with clients before voting?

BlackRock	LGIM
We welcome discussions with our clients on engagement and voting topics and priorities to get their perspective and better understand which issues are important to them. As outlined in our Global Principles, BlackRock determines which companies to engage directly based on our assessment of the materiality of the issue for sustainable long-term financial returns and the likelihood of our engagement being productive.	LGIM's voting and engagement activities are driven by ESG professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for all our clients. Our voting policies are reviewed annually and take into account feedback from our clients. Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team.
Northern Trust	M&G
We consult with clients before voting on a case by case basis and use the content of such discussions as one data point among others considered when finalizing our vote instructions.	Voting decisions are taken in the best interests of clients and decision-making takes into account a wide range of factors. Whilst we do not solicit clients' views will would take them into account should they be known to us.

Please provide an overview of your process for deciding how to vote

BlackRock	LGIM
Our voting guidelines are market-specific to ensure we take into account a company's unique circumstances by market, where relevant. We inform our vote decisions through research and engage as necessary. Our voting guidelines are intended to help clients and companies understand our thinking on key governance matters. They are the benchmark against which we assess a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting. We apply our guidelines pragmatically, taking into account a company's unique circumstances where relevant	All decisions are made by LGIM's Investment Stewardship team and in accordance with our relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company.
Northern Trust	M&G
As a major index investor representing permanent capital in more than 10,000 companies globally, we see our voting at shareholder meetings as one of the best ways we can communicate our views to companies on behalf of our clients. We usually vote all our proposals.	An active and informed voting policy is an integral part of our investment philosophy. In our view, voting should never be divorced from the underlying investment management activity.

How, if at all, have you made use of proxy voting services?

BlackRock	LGIM
BlackRock's proxy voting process is led by the BlackRock Investment Stewardship team (BIS), which consists of three regional teams – Americas ("AMRS"), Asia-Pacific ("APAC"), and Europe, Middle East and Africa ("EMEA") - located in seven offices around the world. The analysts with each team will generally determine how to vote at the meetings of the companies they cover.	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 we do not outsource any part of the strategic decisions.
Northern Trust	M&G
Northern Trust has delegated to an independent third party proxy voting service ("Proxy Voting Service"), the responsibility to review proxy proposals and to make voting recommendations to the Proxy Committee in a manner consistent with the Proxy Voting Policy. For proxy proposals that under the Proxy Voting Policy are to be voted on a case by case basis, Northern Trust provides supplementary instructions to the Proxy Voting Service to guide it in making vote recommendations.	We use research provided by ISS and the Investment Association; and we use the ProxyExchange platform from ISS for managing our proxy voting activity.

What process did you follow for determining the "most significant" votes?.

BlackRock	LGIM
We periodically publish "vote bulletins" setting out detailed explanations of key votes relating to governance, strategic and sustainability issues that we consider, based on our Global Principles and Engagement Priorities, material to a company's sustainable long-term financial performance. These bulletins are intended to explain our vote decision, including the analysis underpinning it and relevant engagement history when applicable, where the issues involved are likely to be high-profile and therefore of interest to our clients and other stakeholders, and potentially represent a material risk to the investment we undertake on behalf of clients. We make this information public shortly after the shareholder meeting, so clients and others can be aware of our vote determination when it is most relevant to them. We consider these vote bulletins to contain	As regulation on vote reporting has recently evolved with the introduction of the concept of 'significant vote' by the EU Shareholder Rights Directive II, LGIM wants to ensure we continue to help our clients in fulfilling their reporting obligations. We also believe public transparency of our vote activity is critical for our clients and interested parties to hold us to account.

explanations of the most significant votes for the purposes of evolving regulatory requirements.

Northern Trust	M&G
We do not have a specific policy for determining “significant votes”, rather we have an approach to stewardship that begins with prioritizing companies for outreach and engagement. We prioritize companies with the most egregious corporate governance issues or outsized ESG risks or impacts.	Under the Shareholder Rights Directive II, M&G is required to report on its stewardship activities, including proxy voting and the identification of significant votes. We have therefore determined our own definition of significant votes following internal discussion and consideration of external guidance.

10.2 Summary of voting behaviour

A summary of voting behaviour over the Plan Year is provided in the table below.

	Fund 1	Fund 2
Manager name	Columbia Threadneedle	Prudential
Fund name	Dynamic Real Return Fund	Dynamic Global Equity Passive Fund
Total size of fund at end of the Plan Year	£646.2m	£121.0m
Value of Plan assets at end of the Plan Year (£ / % of total assets)	£25.7m (24.1% of DB assets)	£0.0 (0%)
Number of equity holdings at end of the Plan Year	458	Not provided
Number of meetings eligible to vote	178	5,016
Number of resolutions eligible to vote	2,795	60,111
% of resolutions voted	99.1%	95.8%
Of the resolutions on which voted, % voted with management	92.6%	91.8%
Of the resolutions on which voted, % voted against management	6.9%	7.5%
Of the resolutions on which voted, % abstained from voting	0.5%	0.8%
Of the meetings in which the manager voted, % with at least one vote against management	50.0%	36.8%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	N/A*	1.1%

The Trustee redeemed the Plan’s holdings in the Prudential Dynamic Global Equity Passive Fund in September 2024. Prudential were unable to provide part period voting data, so data for the full Plan Year (to 31 December 2024) has been included above.

*Columbia Threadneedle does not take direct recommendations from proxy advisors.

10.3 Most significant votes

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

The Trustee did not inform its managers which votes it considered to be most significant in advance of those votes.

Given the large number of votes which are cast by managers during every Annual General Meeting season, the timescales over which voting takes place as well as the resource requirements necessary to allow this, the Trustee did not identify significant voting ahead of the reporting period. Instead, the Trustee has retrospectively created a shortlist of most significant votes by requesting each manager provide a shortlist of votes, which comprises a minimum of ten most significant votes, and suggested the managers could use the PLSA's criteria³ for creating this shortlist. By informing its managers of its stewardship priorities and through its regular interactions with the managers, the Trustee believes that its managers will understand how it expects them to vote on issues for the companies they invest in on its behalf.

The Trustee has interpreted "significant votes" to mean those that the manager deemed to be the most significant. For reasons of practicality, the Trustee has included in this Statement two of the votes, with the aim of including a broad range of companies and voting topics (in particular votes related to the Trustee's stewardship priorities)

If members wish to obtain more investment manager voting information, this is available upon request from the Trustee.

CT Dynamic Real Return Fund

Alphabet Inc., 7 June 2024

- **Summary of resolution:** Report on Lobbying Payments and Policy.
- **Relevant stewardship priority:** Corporate Governance.
- **Approximate size of the holding at the date of the vote:** 0.73%
- **Why this vote is considered to be most significant:** Vote against management on certain environmental or social proposals, and relates to one of the Trustee's stewardship priorities.
- **Company management recommendation:** Against. **Fund manager vote:** For.
- **Rationale:** *"While we appreciate that the company provides some disclosure around board and management oversight of lobbying activities and information on its policy priorities, we note that the company does not disclose direct lobbying expenses on its website or in a user-friendly format, does not disclose indirect lobbying expenses or expenditures made to organizations that may lobby on its behalf, does not disclose a congruency report for its lobbying, and does not address grassroots lobbying in its policies. It also does not describe specific board and management oversight for its trade association memberships".*
- **Was the vote communicated to the company ahead of the vote:** No.
- **Outcome of the vote and next steps:** The resolution failed. Outcome of the vote was not in line with the manager's vote. *"Active stewardship (engagement and voting) continues to form an integral part of our research and investment process".*

Amazon.com, Inc., 22 May 2024

- **Summary of resolution:** Report on Customer Due Diligence.
- **Relevant stewardship priority:** Human Rights.
- **Approximate size of the holding at the date of the vote:** 0.99%
- **Why this vote is considered to be most significant:** Vote against management on certain environmental or social proposals, and relates to one of the Trustee's stewardship priorities.
- **Company management recommendation:** Against. **Fund manager vote:** For.
- **Rationale:** *"Shareholders would benefit from increased disclosure on the company's approach to customer due diligence. The company faces risks related to human rights in its global operation. Good practices include developing a clear process and narrative on how impacts are monitored and effectively mitigated".*
- **Was the vote communicated to the company ahead of the vote:** No.

³ [Vote reporting template for pension scheme implementation statement – Guidance for Trustees \(plsa.co.uk\)](https://www.plsa.co.uk/vote-reporting-template-for-pension-scheme-implementation-statement-guidance-for-trustees). Trustees are expected to select "most significant votes" from the long-list of significant votes provided by their investment managers.

- **Outcome of the vote and next steps:** The resolution failed. Outcome of the vote was not in line with the manager's vote. *"Active stewardship (engagement and voting) continues to form an integral part of our research and investment process"*.

Prudential Dynamic Global Equity Passive Fund

Shell, 21 May 2024

- **Summary of resolution:** Advise Shell to Align its Medium-Term Emissions Reduction Targets Covering the Greenhouse Gas (GHG) Emissions of the Use of its Energy Products (Scope 3) with the Goal of the Paris Climate Agreement.
- **Relevant stewardship priority:** Climate Change.
- **Approximate size of the holding at the date of the vote:** 0.32%
- **Why this vote is considered to be most significant:** The vote relates to one of the Trustee's stewardship priorities.
- **Company management recommendation:** Against **Fund manager vote:** Against.
- **Rationale:** *"The request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company"*.
- **Was the vote communicated to the company ahead of the vote:** Not disclosed
- **Outcome of the vote and next steps:** The resolution failed.

Toyota Motor Corp., 18 June 2024

- **Summary of resolution:** Amend Articles to Report on Corporate Climate Lobbying Aligned with Paris Agreement.
- **Relevant stewardship priority:** Climate change.
- **Approximate size of the holding at the date of the vote:** 0.07%
- **Why this vote is considered to be most significant:** The vote relates to one of the Trustee's stewardship priorities.
- **Company management recommendation:** Against **Fund manager vote:** For.
- **Rationale:** *"A vote for this shareholder proposal is recommended because:*
 - *Toyota doubled the number of industry organizations reviewed in the 2023 climate lobbying report, which is positive. However, although Toyota Motor this year retained a third-party appraiser, unlike in 2022 when the company itself conducted a review, the identity of the appraiser is not disclosed.*
 - *Particularly in light of the compliance concerns at Toyota group companies, the proposal would help restore trust through transparent disclosures aligned with the Paris Agreement.*
 - *An evaluation of how the company's lobbying activities align with the Paris Agreement goals would provide information that would allow shareholders to better evaluate the company's risk related to its lobbying activities"*.
- **Was the vote communicated to the company ahead of the vote:** Not disclosed.
- **Outcome of the vote and next steps:** The resolution failed.