

# CWT UK PENSION SCHEME

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## APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

### Implementation Statement ('IS')

#### Defined Benefit Section ('DB Section')

The purpose of this Statement is for us, the Trustees of the CWT UK Pension Scheme, to explain what we have done during the year ending 5 April 2025 to achieve our objectives and implement our policies as set out in the SIP. It includes:

1. A summary of any review and changes made to the SIP over the year;
2. How our policies in the SIP have been followed during the year; and
3. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services.

This IS covers the DB section of the Scheme only. A separate IS has been prepared covering the DC section.

#### Our conclusion

**Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.**

In our view, most of the Scheme's material investment managers were able to disclose good evidence of voting and engagement activity, and the activities completed by our managers align with our stewardship expectations.

We delegate the management of some of the Scheme's assets to our fiduciary manager, AIL. We believe the activities completed by our fiduciary manager to review the underlying managers' voting and engagement policies, and activities align with our stewardship expectations. We believe our voting rights have been implemented effectively on our behalf.

We will invite our fiduciary manager to a meeting so that we can get a better understanding of how they are monitoring voting practices and engaging with underlying managers on our behalf, and how these help us fulfil our Responsible Investment policies.

#### Changes to the SIP during the year

We reviewed the SIP during the year and updated it in July 2024.

The changes made included:

- Updating the target hedge ratio of the Liability Driven Investment ('LDI') portfolio.
- Various minor changes including updating the capital market assumptions and fee data.

The Scheme's latest SIP can be found here:

<https://pensioninformation.aon.com/cwt/FileViewer.aspx?FileID=14648&FileName=CWT%20Pension%20Scheme%20-%20SIP%20-%20DB%20Section%20-%202017%20July%2020>

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement ('IS') (continued)

#### How the policies in the SIP have been followed

In the table below we set out what we have done during the year to meet the policies in the SIP.

SIP Policy	Comment from the Trustees
<b>Investment Objectives</b>	We continue to monitor the performance of the Scheme's investments to identify opportunities to improve funding, stability and security in line with our objectives.
<b>Choosing Investments</b>	We reviewed the investment strategy with the aim of reducing risk that may arise from the Underpin liabilities within the DC section. It was decided to reduce risk due to interest rate movements by 'scaling up' the target level of hedging of the existing DB section cashflow benchmark.
<b>Arrangements with Investment Managers</b>	AIL will only appoint underlying investment managers who are 'Buy' rated and achieve a minimum standard or rating for ESG factors from Aon's manager research team. AIL considers the suitability of the Scheme's underlying investment managers on an ongoing basis, on behalf of the Trustees. We meet regularly with AIL and receive quarterly investment reports.
<b>Costs and Performance</b>	AIL provided a report outlining the costs and charges incurred for the DB section for the 2023 calendar year.
<b>Environmental, Social and Governance considerations</b>	AIL provide a quarterly update on the underlying managers' ('ESG') practices, which we review. All applicable managers are rated "integrated" or "advanced" by the investment consultants, this means that the managers have taken steps to identify, evaluate and mitigate potential financially material ESG risks within their portfolios, and the manager has demonstrated an advanced awareness of potential ESG risks in the investment strategy.
<b>Stewardship – voting and engagement</b>	Further detail is explained in the Voting and Engagement section of this report.
<b>Effective decision making</b>	We received regular training from our advisors on items such as regulatory updates, topical events, AIL funds and asset classes.

#### Our Engagement Action Plan

Based on the work we have done for the IS, we have decided to take the following steps over the year:

1. We will invite our fiduciary manager to a meeting to get a better understanding of how it is monitoring voting practices and engaging with underlying managers on our behalf, and how these help us fulfil our Responsible Investment policies.
2. We will regularly meet with our fiduciary manager, to ensure our fiduciary manager is using its resources to effectively influence positive outcomes in our relevant funds.

## APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

### Implementation Statement ('IS') (continued)

#### The exercise of our voting rights and implementation of our wider stewardship policy

##### What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which ESG issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

*Source: UN PRI*

The Scheme is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Scheme's fiduciary investment manager, AIL. AIL invests the Scheme's assets in a range of funds which can include multi-asset, multi-manager and liability matching funds. AIL selects the underlying asset managers to achieve the objective of each fund on behalf of the Trustees.

We reviewed the stewardship activity carried out over the year by the material investment managers, and, in our view, all were able to disclose adequate evidence of voting and / or engagement activity. More information on the stewardship activity carried out by AIL and the underlying investment managers can be found in the following sections.

#### Our fiduciary manager's engagement activity

We delegate monitoring of ESG integration and stewardship of the underlying managers to AIL. We have reviewed AIL's latest annual Stewardship Report and we believe it shows that AIL is using its resources to effectively influence positive outcomes in the funds in which it invests.

Over the year, AIL held several engagement meetings with many of the underlying managers in its strategies. AIL discussed ESG integration, stewardship, climate, biodiversity and modern slavery with the investment managers. AIL provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

To support these engagements, AIL maintains a set of stewardship priorities which align with their responsible investing beliefs. These priorities focus on investment stewardship, climate change transition and nature loss, combatting modern slavery and Artificial Intelligence. A summary of these priorities is provided in Appendix 1.

Over the year, AIL engaged with the industry through white papers, working groups, webinars and network events, as well as responding to multiple consultations.

AIL has a net zero commitment to deliver UK delegated investment portfolios and default strategies which have a net zero carbon emissions profile by 2050.

AIL also successfully renewed its signatory status to the 2020 UK Stewardship Code, a set of high stewardship standards for asset owners and asset managers which is maintained and assessed by the Financial Reporting Council.

##### What is fiduciary management?

Fiduciary management is the delegation of some, or all, of the day-to-day investment decisions and implementation to a fiduciary manager. But the trustees still retain responsibility for setting the high-level investment strategy.

In fiduciary management arrangements, the trustees will often delegate monitoring ESG integration and asset stewardship to its fiduciary manager.

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## APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

### Implementation Statement ('IS') (continued)

AIL has developed an Impact Research platform, focused on integrating ESG risk factors into the manager research process. The Impact research platform aims to help evolve AIL's view of "impact" to encompass both ethics/values-driven investing and ESG integration.

Furthermore, AIL is developing internal capabilities to integrate ESG data from multiple vendors and platforms through a 'Quantamental' dashboard that provides in-depth ESG analytics for over 8,000 liquid strategies. AIL intends to expand this analysis in future to include advanced metrics for implied temperature rise, Sustainable Financial Disclosure Regulation's ('SFDRs') Principal Adverse Indicators ('PAIs') and Diversity Equity and Inclusion factors.

### Voting activity carried out by our underlying investment Managers

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Scheme's equity-owning investment managers to responsibly exercise their voting rights.

### Voting statistics

The table below shows the voting statistics for the Scheme's material funds with voting rights for the year to 31 March 2025. Managers collate voting information on a quarterly basis. The voting information provided is for the year to 31 March 2025 which broadly matches the Scheme year.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
Legal & General Asset Management ("L&G") Multi-Factor Equity Fund	11,446	99.8%	20.8%	0.4%
UBS Global Asset Management ('UBS') Global Equity Climate Transition Fund	12,234	93.0%	8.1%	0.1%

Source: Investment managers. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote.

### Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

**APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT  
(forming part of the Trustees’ Report)**

**Implementation Statement (‘IS’) (continued)**

**Use of proxy voting advisers**

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser’s recommendations.

The table below describes how the Scheme’s managers use proxy voting advisers.

**Why use a proxy voting adviser?**

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

<b>Managers</b>	<b>Description of use of proxy voting advisers (in the managers’ own words)</b>
L&G	L&G’s Investment Stewardship team uses Institutional Shareholder Services’ (‘ISS’) ‘ProxyExchange’ electronic voting platform to electronically vote clients’ shares. All voting decisions are made by L&G and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.
UBS	UBS retains the services of ISS for the physical exercise of voting rights and for supporting voting research. UBS retains full discretion when determining how to vote at shareholder meetings.

Source: Investment managers

**Significant voting examples**

To illustrate the voting activity being carried out on our behalf, AIL have provided a selection of what they consider to be the most significant votes cast by the underlying investment managers in relation to the Scheme’s funds. A sample of these significant votes can be found in Appendix 2.

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees’ Report)

#### Implementation Statement (‘IS’) (continued)

#### Our investment managers’ engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Scheme’s material managers. The managers have provided information for the most recent calendar year available.

Funds	Number of engagements		Themes engaged on at a fund level
	Fund level	Firm level	
Aegon Asset Management (“Aegon”) European ABS Fund	115	422	Environment - Climate Change Social - Human and Labour Rights Governance - Leadership - Chair/CEO; Remuneration Other - General Disclosure
Ardea Global Alpha UCITS Fund	40	40	Environment - Climate Change Other - Market Development of Green Government Bonds
Aberdeen Climate Transition Bond Fund	104	1,868	Environment - Other Environment Related; Climate Social - Human Right & Stakeholder Governance - Corporate Governance; Corporate Behaviour
L&G Multi-Factor Equity Fund	682	4,399	Environment - Climate Change; Natural resource use/impact Social - Human and labour rights; Human capital management Governance - Board effectiveness - Diversity; Remuneration Other - Capital Management; Green Bonds
Robeco Credit Income Fund	12	324	Environment - Climate Change Social - Human and Labour Rights Governance - Shareholder Rights; Board Effectiveness - Other
UBS Global Equity Climate Transition Fund	174	425	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights Governance - Remuneration; Board Effectiveness - Other; Leadership - Chair/CEO Strategy, Financial & Reporting - Capital Allocation

Source: Investment managers

#### Data limitations

We note that the total number of engagements disclosed by L&G in the table above refers the total number of interactions L&G held with individual companies as opposed to the number of engagements on specific engagement themes. Each interaction may therefore cover multiple themes.

This report does not include commentary on certain asset classes such as liability driven investments, gilts or cash because of the limited materiality of stewardship to these asset classes. Further, this report does not include the AVCs due to the relatively small proportion of the Scheme’s assets that are held as AVCs.

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement ('IS') (continued)

#### Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by the Scheme's managers. We consider a significant vote to be one which the manager considers significant. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below:

<b>L&amp;G Multi-Factor Equity Fund</b>	<b>Company name</b>	Wells Fargo & Company
	<b>Date of vote</b>	30 April 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	0.5
	<b>Summary of the resolution</b>	Resolution 7: Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining Rights
	<b>How you voted?</b>	Votes supporting resolution
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	L&G publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	<b>Rationale for the voting decision</b>	Shareholder Resolution - Labour rights: A vote in favour is applied as L&G supports proposals that are set to improve human rights standards and employee policies because we consider this issue to be a material risk to companies.
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	L&G will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	<b>On which criteria have you assessed this vote to be most significant?</b>	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.

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### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement ('IS') (continued)

#### Appendix 2 – Significant Voting Examples (continued)

<b>UBS Global Equity Climate Transition Fund</b>	<b>Company name</b>	Bank of America Corporation
	<b>Date of vote</b>	24 April 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	<i>Not provided</i>
	<b>Summary of the resolution</b>	Report on Clean Energy Supply Financing Ratio
	<b>How you voted?</b>	Votes supporting resolution
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	No
	<b>Rationale for the voting decision</b>	We will support proposals that seek to promote greater disclosure and transparency in corporate environmental policies as long as: a) the issues are not already effectively dealt with through legislation or regulation; b) the company has not already responded in a sufficient manner; and c) the proposal is not unduly burdensome or overly prescriptive.
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	Given strong shareholder support, we shall monitor further developments.
	<b>On which criteria have you assessed this vote to be most significant?</b>	Aggregate percentage of votes in support of resolution exceeded 25% of votes cast.

Source: Investment managers

## APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

### Implementation Statement (continued)

#### Defined Contribution Section ('DC Section')

The purpose of this Statement is for us, the Trustees of the CWT UK Pension Scheme, to explain what we have done during the year ending 5 April 2025 to implement our policies and achieve our objectives as set out in the SIP. It includes:

1. A summary of any review and changes made to the SIP over the year;
2. How our policies in the SIP have been followed during the year; and
3. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services.

#### Our conclusion

**Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.**

In our view, the Scheme's appointed investment managers (including those appointed by the DC fiduciary investment manager, AIL) were able to disclose good evidence of voting and engagement activity. The activities completed by the Scheme's managers align with the Trustees' expectations on how managers should steward assets and the Trustees believe their voting policy (as set out in the SIP) has been implemented effectively in practice. The Trustees also believe the activities completed by their managers align with their (and their fiduciary manager's) stewardship priorities.

The Trustees have reviewed the stewardship activities of AIL and are comfortable with the management and the monitoring of environmental, social and governance issues across the Scheme's investment and the stewardship of the underlying managers that has been carried out on their behalf, and that this aligns with their policies and priorities.

Where managers have been unable to provide the full requested information (for example, some specific details in relation to significant votes cast), AIL is engaging with these managers on their behalf to set expectations regarding the provision of this data in the future and encourage improvement in future reporting.

#### Changes to the SIP during the year

We reviewed the SIP during the year and updated it in July 2024.

The changes made included:

- Updates to the asset allocation charts following strategic changes to the Aon Managed Retirement Pathway funds.
- Various minor changes including updates to the capital market assumptions.

The Scheme's latest SIP can be found here:

<https://pensioninformation.aon.com/cwt/FileViewer.aspx?FileID=14647&FileName=CWT%20Pension%20Scheme%20-%20SIP%20-%20DC%20Section%20-%202017%20July%2020>

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees’ Report)

#### Implementation Statement (continued)

#### How the policies in the SIP have been followed

In the table below we set out what we have done during the year to meet the policies in the SIP.

SIP Policy	Comment from the Trustees
<b>Investment Objectives</b>	We continue to monitor the performance of the Scheme’s investments to identify opportunities to improve funding, stability and security in line with our objectives.
<b>Choosing Investments</b>	We reviewed the investment strategy with the aim of reducing risk that may arise from the Underpin liabilities within the DC section. It was decided to reduce risk due to interest rate movements by ‘scaling up’ the target level of hedging of the existing DB section cashflow benchmark.
<b>Arrangements with Investment Managers</b>	AIL will only appoint underlying investment managers who are “Buy” rated and achieve a minimum standard or rating for ESG factors from Aon’s manager research team. AIL considers the suitability of the Scheme’s underlying investment managers on an ongoing basis, on behalf of the Trustees. We meet regularly with AIL and receive quarterly investment reports.
<b>Costs and Performance</b>	AIL provided a report outlining the costs and charges incurred for the DB section for the 2023 calendar year.
<b>Environmental, Social and Governance considerations</b>	AIL provide a quarterly update on the underlying managers’ ESG practices, which we review. All applicable managers are rated “integrated” or “advanced” by the investment consultants, this means that the managers have taken steps to identify, evaluate and mitigate potential financially material ESG risks within their portfolios, and the manager has demonstrated an advanced awareness of potential ESG risks in the investment strategy.
<b>Stewardship – voting and engagement</b>	Further detail is explained in the Voting and Engagement section of this report.
<b>Effective decision making</b>	We received regular training from our advisors on items such as regulatory updates, topical events, AIL funds and asset classes.

#### Our Engagement Action Plan

Based on the work we have done for the IS, we have decided to take the following steps over the next 12 months:

1. We will invite our fiduciary manager to a meeting to get a better understanding of how it is monitoring voting practices and engaging with underlying managers on our behalf, and how these help us fulfil our Responsible Investment policies.
2. We will undertake regular meetings with our fiduciary manager, to ensure our fiduciary manager is using its resources to effectively influence positive outcomes in our relevant funds.

## APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

### Implementation Statement (continued)

#### The exercise of our voting rights and implementation of our wider stewardship policy

##### What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which ESG issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

*Source: UN PRI*

The Scheme is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Scheme's fiduciary investment manager, AIL. AIL invests the Scheme's assets in a range of funds including the default strategy and wider range of self-select funds. AIL selects the underlying asset managers to achieve the objective of each fund on behalf of the Trustees.

We reviewed the stewardship activity carried out over the year by the material investment managers, and, in our view, all were able to disclose adequate evidence of voting and / or engagement activity. More information on the stewardship activity carried out by AIL and the underlying investment managers can be found in the following sections.

#### Our fiduciary manager's engagement activity

We delegate monitoring of ESG integration and stewardship of the underlying managers to AIL. We have reviewed AIL's latest annual Stewardship Report and we believe it shows that AIL is using its resources to effectively influence positive outcomes in the funds in which it invests.

Over the year, AIL held several engagement meetings with many of the underlying managers in its strategies. AIL discussed ESG integration, stewardship, climate, biodiversity and modern slavery with the investment managers. AIL provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

To support these engagements, AIL maintains a set of stewardship priorities which align with their responsible investing beliefs. These priorities focus on investment stewardship, climate change transition and nature loss, combatting modern slavery and Artificial Intelligence. A summary of these priorities is provided in Appendix 1.

Over the year, AIL engaged with the industry through white papers, working groups, webinars and network events, as well as responding to multiple consultations.

AIL has a net zero commitment to deliver UK delegated investment portfolios and default strategies which have a net zero carbon emissions profile by 2050.

AIL also successfully renewed its signatory status to the 2020 UK Stewardship Code, a set of high stewardship standards for asset owners and asset managers which is maintained and assessed by the Financial Reporting Council.

##### What is fiduciary management?

Fiduciary management is the delegation of some, or all, of the day-to-day investment decisions and implementation to a fiduciary manager. But the trustees still retain responsibility for setting the high-level investment strategy.

In fiduciary management arrangements, the trustees will often delegate monitoring ESG integration and asset stewardship to its fiduciary manager.

# CWT UK PENSION SCHEME

## APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

### Implementation Statement (continued)

#### Our fiduciary manager's engagement activity (continued)

AIL has developed an Impact Research platform, focused on integrating ESG risk factors into the manager research process. The Impact research platform aims to help evolve AIL's view of "impact" to encompass both ethics/values-driven investing and ESG integration.

Furthermore, AIL is developing internal capabilities to integrate ESG data from multiple vendors and platforms through a "Quantamental" dashboard that provides in-depth ESG analytics for over 8,000 liquid strategies. AIL intends to expand this analysis in future to include advanced metrics for implied temperature rise, Sustainable Financial Disclosure Regulation's (SFDR's) Principal Adverse Indicators (PAIs) and Diversity Equity and Inclusion factors.

#### Voting activity carried out by our underlying investment managers

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Scheme's equity-owning investment managers to responsibly exercise their voting rights.

#### Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

#### Voting statistics

Over the year, the material equity, real asset and multi-asset investments held by the Scheme within the default strategy and wider self-select fund range were:

Aon Managed Retirement Pathway Funds (default strategy)

Aon Managed Fund	Underlying managers (equity-owning only)
Aon Managed Global Impact Fund	Baillie Gifford, Mirova, Nordea
Aon Managed Initial Growth Phase Fund	Equities: L&G, UBS Listed real assets: BlackRock, L&G
Aon Managed Diversified Asset Fund	L&G, UBS

Source: AIL

#### Self-select fund range

Aon Managed Fund	Underlying managers (equity-owning only)
Aon Managed Global Equity Fund	L&G, UBS
Aon Managed Global Impact Fund	Baillie Gifford, Mirova, Nordea
Aon Managed Property and Infrastructure	BlackRock, L&G (listed real assets)
Aon Managed Diversified Asset Fund	L&G, UBS
Aon Managed Core Diversified Asset Fund	BlackRock, L&G, UBS
LGIM FTSE4Good Developed Equity Index Fund	L&G

Source: AIL

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement (continued)

The table below shows the voting statistics for each of the material funds held within the default strategy, the Aon Managed Retirement Pathway Funds, for the year to 31 March 2025. We also provide a combined view for a member 30 years from retirement and at retirement, invested in the Aon Managed Retirement Pathway Funds.

Aon Managed Funds	% Proposals Voted	% votes cast against management	% votes abstained
Aon Managed Initial Growth Phase Fund <sup>1,2</sup>	94.50%	12.40%	0.60%
Aon Managed Global Impact Fund	96.70%	21.30%	0.90%
Aon Managed Diversified Asset Fund <sup>1</sup>	95.80%	14.60%	0.70%
<b>Aon Managed Retirement Pathway Funds</b>			
<i>Member 30 years from retirement<sup>1</sup></i>	<b>94.70%</b>	<b>13.30%</b>	<b>0.60%</b>
<i>Member at retirement<sup>1</sup></i>	<b>95.20%</b>	<b>13.90%</b>	<b>0.60%</b>

Source: Aon Investments Limited, Underlying investment managers: BlackRock, L&G, UBS, Baillie Gifford, Mirova, Nordea.

<sup>1</sup>Please note figures shown only reflect the proportion of the portfolio with equity-voting rights.

<sup>2</sup>Invests 90% in the Aon Managed Global Equity Fund and 10% in property and infrastructure.

#### Voting statistics: self-select funds

The table below shows the voting statistics for each of the material funds offered within the wider self-select fund range available for the year to 31 March 2025.

#### Self-select fund range

Aon Managed funds	% Proposals Voted	% votes cast against management	% votes abstained
Aon Managed Global Equity Fund	94.90%	12.90%	0.60%
Aon Managed Global Impact Fund	96.70%	21.30%	0.90%
Aon Managed Property and Infrastructure Fund <sup>1</sup>	91.50%	7.40%	0.20%
Aon Managed Diversified Asset Fund <sup>1</sup>	95.80%	14.60%	0.70%
Aon Managed Core Diversified Asset Fund	95.20%	9.20%	0.20%
LGIM FTSE4Good Developed Equity Index Fund	99.60%	17.50%	0.30%

Source: Aon Investments Limited, underlying investment managers (BlackRock, L&G, UBS, Nordea, Mirova, Baillie Gifford).

<sup>1</sup>Please note figures shown only reflect the proportion of the portfolio with equity-voting rights.

#### Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

#### Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees’ Report)

#### Implementation Statement (continued)

The table below describes how the Scheme’s managers use proxy voting advisers.

Manager	Description of use of proxy voting
Baillie Gifford	Whilst Baillie Gifford is cognisant of proxy advisers’ voting recommendations (ISS and Glass Lewis), it does not delegate or outsource any of its stewardship activities or follow or rely upon ISS’s recommendations when deciding how to vote on its clients’ shares. All client voting decisions are made in-house. Baillie Gifford votes in line with its in-house policy and not with the proxy voting providers’ policies. Baillie Gifford also has specialist proxy advisors in the Chinese and Indian markets to provide it with more nuanced market specific information.
BlackRock	BlackRock uses ISS’s electronic platform to execute its vote instructions, manage client accounts in relation to voting and facilitate client reporting on voting. In certain markets, BlackRock works with proxy research firms who apply its proxy voting guidelines to filter out routine or non-contentious proposals and refer to BlackRock any meetings where additional research and possibly engagement might be required to inform its voting decision.
L&G	L&G’s Investment Stewardship team uses ISS’s ‘ProxyExchange’ electronic voting platform to electronically vote clients’ shares. All voting decisions are made by L&G, who does not outsource any part of the strategic decisions. To ensure L&G’s proxy provider votes in accordance with L&G’s position on ESG, L&G has put in place a custom voting policy with specific voting instructions.
Mirova	Mirova uses ISS as a voting platform for related services such as ballot collecting, vote processing and record keeping. Mirova subscribes to the ISS research, however its recommendation is not prescriptive or determinative to Mirova’s voting decisions. All voting decisions are made by Mirova in accordance with its Voting Policy.
Nordea	Nordea uses two external proxy advisors - ISS and Glass Lewis. ISS is used for proxy voting, execution as well as research, while Glass Lewis is mainly used for research. They evaluate our proxy advisors regularly on operational integrity, quality of research and the implementation of the custom voting policy.
UBS	UBS Asset Management retains the services of ISS for the physical exercise of voting rights and for supporting voting research. UBS retain full discretion when determining how to vote at shareholder meetings.

Source: Investment managers

#### Significant voting examples

To illustrate the voting activity being carried out on our behalf, AIL have provided a selection of what they consider to be the most significant votes cast by the underlying investment managers in relation to the Scheme’s funds. A sample of these significant votes can be found in Appendix 2.

#### Our investment managers’ engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement (continued)

We have reviewed information on the engagement carried out by the material underlying managers appointed by AIL for the DC Section of the Scheme. All material managers engaged on all of the themes listed below:

- Environment - Climate Risk Management
- Environment - Biodiversity
- Governance - Remuneration
- Governance - Board Effectiveness
- Governance - Corporate Strategy
- Social - Human Capital
- Social Risks & Opportunities

Note: The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm level i.e., is not necessarily specific to the underlying fund.

We would expect all managers to have engaged on all themes, as all underlying managers meet AIL's required standards for consideration of ESG factors and risks.

We also provide examples of specific engagement activity carried out by the most material underlying investment managers below.

#### BlackRock engagement with Shell

BlackRock has had extensive, multi-year engagements with Shell where they have discussed, among other topics, board composition, corporate strategy and the board's oversight of, and management's approach to climate-related risks and opportunities. At Shell's May 2024 AGM, BlackRock highlighted two key votes.

- The first was a management proposal to approve Shell's Energy Transition Strategy. BlackRock supported this proposal, as in its view Shell has provided, and continues to provide, a clear assessment of its plans to manage material climate-related risks and opportunities and continues to demonstrate progress against its Energy Transition Strategy. Additionally, BlackRock notes that Shell has made several adjustments to its climate-related targets due to developments in energy markets and the strategic shift in its power business. For example, Shell retired its 2035 net carbon intensity ('NCI') target of 45% because of uncertainty regarding the pace of the global low-carbon transition.
- The second was a shareholder proposal which advised 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. BlackRock did not support this shareholder proposal because, in their view, the proposal is overly prescriptive. BlackRock believes it is the role of company leadership to set and implement the company's strategy. In their assessment, support of this proposal would contradict the energy transition strategy 2024 that has been put forward by the board and management team.

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement (continued)

##### **UBS engagement with BHP Group.**

Over 2024, UBS engaged with BHP Group. They met three times in 2024, primarily focusing on the release of their new Climate Transition Action Plan ('CTAP').

BHP Group are a leading producer of iron ore, copper and metallurgical coal. The company is a significant carbon emitter but a key enabler of the energy transition. In 2024, UBS met with the CFO, participated in their group investor engagement sessions and had bilateral discussions with BHP Group in the lead up to and after the release of the new CTAP.

The focus was on Scope 3 emissions, physical risk and scenario analysis use for transition planning. UBS requested further disclosure on its Scope 3 emissions, given 97% of their total emissions are Scope 3. UBS also requested an update on Paris alignment scenarios the company uses to set strategies. Due to the speed of the transition expected to influence the demand for key minerals, and be a key driver of the sector's performance, UBS believed this is important to report on.

In their new CTAP, BHP enhanced their Scope 3 strategy disclosures, including their view on steelmaking technologies and pipeline of abatement projects. BHP have also provided an initial framing of their assessment process on physical risk and further assessments are underway. UBS will continue to engage in 2025, focusing on the lack of clarity on outlook for metallurgical coal and the scale of expected use of offsets in BHP's net zero target.

##### **L&G engagement with General Mills**

Over 2024, L&G engaged with Walmart Inc, an American multinational retail corporation that operates a chain of hypermarkets, discount department stores and grocery stores.

L&G contacted Walmart in relation to establishing a company compensation policy of paying a living wage and have been engaging with them on the topic for several years. In 2023, L&G launched their income inequality engagement campaign, targeting 15 of the largest global food retailers, to which Walmart is a part of. L&G voted for this policy, where they have been encouraging Walmart to establish a compensation policy that ensures employees earn a living wage, to reduce potential negative financial impacts that stem from low worker morale, poor health or high staff turnover.

Over 2024 L&G held a series of engagement meetings with Walmart. While the company has improved on some areas, in terms of training opportunities, the company does not have a policy yet in place and still pays employees under the living wage. L&G continue to engage with Walmart and publicly advocate their position on this issue.

## APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

### Implementation Statement (continued)

#### Engagement Activity - Non-equities

While equity managers may have more direct influence on the companies they invest in, managers investing in asset classes such as fixed income and alternatives are also increasingly influential in their ability to encourage positive change.

The Aon Managed Retirement Pathway Funds and several of the wider self-select fund options include investment in non-equity assets. This might include fixed income, cash, direct property and alternatives such as gold, depending on the fund. Below we describe examples of engagement.

#### Fixed Income

The Aon Managed Retirement Pathway Funds and several of the wider self-select fund options invested in fixed income and cash over the year. The above engagement activities carried out by L&G, BlackRock and UBS are also applicable for the multi asset and fixed income funds.

#### Direct Property

The Aon Managed Retirement Pathway Funds, the Aon Managed Initial Growth Phase Fund and the Aon Managed Property and Infrastructure Fund invested in direct property over the year.

The Trustees appreciate that engagement activities within the direct property fund may be limited in comparison to other asset classes, such as equity and fixed income. Nonetheless, the Trustees expect ESG engagement to be integrated in its managers' investment approaches.

The direct property manager, Threadneedle, is a signatory of the UN PRI and has adopted ESG policies across its investments. Threadneedle's UK direct property funds are managed in line with their UK Real Estate ESG Policy Statement. Threadneedle takes an approach to real estate whereby it strives to understand the risks posed within the asset class and focus on mitigating these during the lifecycle of the projects. This can be done through property management, refurbishment, building improvements and strategic asset management. Key topics of engagement during the year include the energy efficiency of assets, low carbon development opportunities, tenant engagement and Net Zero initiatives. During the 12 months to 31 March 2025, Threadneedle completed a range of projects designed to improve the energy efficiency of the underlying assets.

#### Commodities

The Aon Managed Retirement Pathway Funds, Aon Managed Diversified Asset Fund and Aon Managed Diversified Multi Asset Fund invested in commodities over the year.

The BlackRock Gold Fund provides exposure to gold via an exchange traded fund ('ETF'). The main ESG consideration relates to how the gold is sourced. The London Bullion Market Association ('LBMA') has established standards on the trade of gold and silver; these specify the requirements that refiners, and their gold, must meet to be accepted for trading. The refiners that source the gold that backs the BlackRock fund align to those standards.

#### Data limitations

At the time of writing, BlackRock did provide fund level engagement information but not in line with the requested format (the Investment Consultants Sustainability Working Group ('ICSWG') engagement reporting template) which our advisers consider to be industry-standard and best practice. AIL are engaging with BlackRock regarding the format of provided data for future reports.

## APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

### Implementation Statement (continued)

#### Appendix 1 – AIL Stewardship Priorities

AIL has set stewardship priorities that align with its beliefs in relation to responsible investment.

These stewardship priorities focus on climate change and nature loss, modern slavery and artificial intelligence, as well as ensuring strong governance. These priorities have been identified as financially material risks that have the potential to impact the value of members' investments.

To support these priorities, the AIL has an Engagement Programme through which it engages identifies and analyses key areas for focus and engages with the underlying managers in turn. In turn, AIL also has a set of expectations for its underlying investment managers.

A summary of these priorities is set out below:

#### Investment Stewardship

It is important to be clear on the principles and expectations of good investment stewardship across asset classes. Our investment manager does this through its ongoing engagements with the underlying investment managers and is looking for strong alignment between an investment manager's responsible investment policies and its engagement activity and voting decisions. AIL believes that transparency of engagement and voting activity is key and actively engages with its investment managers to promote transparency. AIL also engages with its underlying investment managers to promote the principles of the Principles for Responsible Investment, adherence to the UK Stewardship Code as well as following industry best practice.

#### Climate transition and nature loss

Climate change and the progress towards net zero is a key area of focus for the Trustees of the CWT UK Pension Scheme and its investment manager, recognising the impact of climate-related risks on the value of members savings over the long term. AIL looks for alignment between an investment manager's climate risk policy (or stated ambitions) and its responsible investment approach including engagement activities and voting decisions around climate. AIL engages with its underlying investment managers to monitor progress in the underlying investee companies towards setting targets and ensuring meaningful action as a result.

AIL also believes that biodiversity risk, including nature loss, is intrinsically linked to climate-change and hence the value of members savings over the long term. AIL collaborated with the Cambridge Institute of Sustainability Leadership to create a framework for assessing nature-related risks including a due diligence questionnaire to measure progress on goals. AIL engages with its underlying investment managers to understand the risks in this area and ensure appropriate action is taken as a result.

#### Combatting modern slavery

AIL is a signatory of the 'Find It, Fix It, Prevent It' initiative which aims to combat modern slavery through engagement with investee companies, participation in shaping public policy and in developing better modern slavery data. Through this initiative AIL aims to raise awareness of the role investors can play in addressing modern slavery in supply chains. AIL engages with its investment managers to understand where any potential exposure exists and ensure appropriate action is taken as a result.

#### Artificial Intelligence ('AI')

AI is a nascent industry, and its real world applications are yet to be fully explored. AIL has made AI an important topic for its engagement programme and endeavours to be at the forefront of this fast-developing area. AIL believes in the responsible use of AI. To effect this, AIL will promote transparency and explainability and appropriate guards against bias. Where AI is adopted, AIL will endeavour to engage with its investment managers to ensure this is done in a way that incorporates responsible design, and that the energy intensive nature of AI balances appropriately with Net Zero commitment

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement (continued)

#### Appendix 2 – Significant Voting Examples

In the table below are some significant vote examples provided by the underlying investment managers appointed by AIL and used within the default strategy, the Aon Managed Retirement Pathway Funds. We consider a significant vote to be one which the manager considers significant. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below:

L&G	Company name	ConocoPhillips
	<b>Date of vote</b>	May 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	0.4%
	<b>Summary of the resolution</b>	Resolution 5: Revisit Pay Incentives for GHG Emission Reductions
	<b>How the manager voted</b>	Against management
	<b>Did the manager communicate its intent to the company ahead of the vote?</b>	L&G publicly communicates its vote instructions on its website with the rationale for all votes against management. It is L&G'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.
	<b>Rationale for the voting decision</b>	Shareholder Resolution - Climate change: A vote against is applied as L&G expects companies to be taking sufficient action on the key issue of climate change.
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome</b>	L&G will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	<b>On which criteria have the vote is considered significant?</b>	Pre-declaration and High-Profile Meeting: This shareholder resolution is considered significant due to misleading proposals (shareholder resolutions brought with the aim of undermining positive environmental, social and governance behaviours) are a relatively recent phenomenon. Such proposals often appear to be supportive of, for example, the energy transition but, when considered in depth, are actually designed to promote anti-climate change views.

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement (continued)

#### Appendix 2 – Significant Voting Examples (continued)

<b>BlackRock</b>	<b>Company name</b>	<b>Phillips 66</b>
	<b>Date of vote</b>	May 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	Not provided
	<b>Summary of the resolution</b>	Report on impacts of a significant reduction in virgin plastic demand
	<b>How the manager voted</b>	Votes against resolution
	<b>Did the manager communicate its intent to the company ahead of the vote?</b>	<p>BlackRock endeavours to communicate to companies when it intends to vote against management, either before or just after casting votes in advance of the shareholder meeting. BlackRock publishes its voting guidelines to help clients and companies understand its thinking on key governance matters that are commonly put to a shareholder vote. They are the benchmark against which BlackRock assesses a company's approach to corporate governance and the items on the agenda to be voted on at the shareholder meeting.</p> <p>BlackRock applies its guidelines pragmatically, taking into account a company's unique circumstances where relevant. BlackRock's voting decisions reflect its analysis of company disclosures, third party research and, where relevant, insights from recent and past company engagement and our active investment colleagues.</p>
	<b>Rationale for the voting decision</b>	The company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome</b>	<p>BlackRock's approach to corporate governance and stewardship is explained in its Global Principles. BlackRock's Global Principles describe its philosophy on stewardship, including how it monitors and engages with companies. These high-level principles are the framework for BlackRock's more detailed, market-specific voting guidelines.</p> <p>BlackRock do not see engagement as one conversation. BlackRock has ongoing direct dialogue with companies to explain its views and how it evaluates their actions on relevant ESG issues over time. Where BlackRock has concerns that are not addressed by these conversations, it may vote against management for their action or inaction. Where concerns are raised either through voting or during engagement, BlackRock monitors developments and assesses whether the company has addressed its concerns.</p>
	<b>On which criteria have the vote is considered significant?</b>	BlackRock periodically publishes Vote Bulletins on key votes at shareholder meetings to provide insight into details on certain vote decisions it expect will be of particular interest to clients.

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement (continued)

#### Appendix 2 – Significant Voting Examples (continued)

<b>UBS</b>	<b>Company name</b>	<b>Shell Plc</b>
	<b>Date of vote</b>	May 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	Not disclosed
	<b>Summary of the resolution</b>	Align medium-term emissions reduction targets covering the GHG emissions of the use of its energy products (scope 3) with the goal of the Paris Climate Agreement
	<b>How the manager voted</b>	Against management
	<b>Did the manager communicate its intent to the company ahead of the vote?</b>	No
	<b>Rationale for the voting decision</b>	<p>Shell has made incremental progress in this area since the previous year (when UBS supported the proposal), including introducing an absolute Scope 3 emissions target for their oil products. While the new target is not perfect, it is a sign of momentum in a positive direction, specifically in the area the proponent is focused on in this request.</p> <p>In UBS's view it would be necessary for Shell to divest a higher level of assets than is currently in investor interests in order to achieve an expanded Scope 3 target.</p> <p>With a say on climate vote on the ballot, UBS feels the best way to voice its concerns on the overall transition plan in our vote is on this resolution. This allows UBS to evaluate the entire plan and recognise where Shell may fall short of expectations, rather than in one specific component of the plan, which this proposal focuses on.</p>
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome</b>	UBS will continue to engage with Shell as part of its Climate Engagement Programme.
	<b>On which criteria have the vote is considered significant?</b>	Aggregate percentage of votes in support of shareholder resolution exceeded 18% of votes cast.

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement (continued)

#### Appendix 2 – Significant Voting Examples (continued)

<b>Nordea</b>	<b>Company name</b>	<b>ANSYS, Inc.</b>
	<b>Date of vote</b>	June 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	1.9%
	<b>Summary of the resolution</b>	Provide right to call a special meeting
	<b>How the manager voted</b>	Against management. For the shareholder proposal
	<b>Did the manager communicate its intent to the company ahead of the vote?</b>	No
	<b>Rationale for the voting decision</b>	Nordea thinks that each company should grant holders of a specific proportion of the outstanding shares of a company, no greater than ten per cent (10%), the right to convene a meeting of shareholders for the purpose of transacting the legitimate business of the company. In Nordea's view, this shareholder proposal requesting the company to take the necessary steps to afford shareholders the right to call a special meeting, would improve shareholder rights.
	<b>Outcome of the vote</b>	Pass
	<b>Implications of the outcome</b>	The protection of shareholder rights is an essential requirement for minority shareholders in a listed company. Nordea will continue to vote for such proposals in other relevant companies.
	<b>On which criteria have the vote is considered significant?</b>	Significant votes are those that are severely against Nordea's principles, and where Nordea feels it needs to enact change in the company.

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement (continued)

#### Appendix 2 – Significant Voting Examples (continued)

<b>Mirova</b>	<b>Company name</b>	<b>Unilever Plc</b>
	<b>Date of vote</b>	May 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	<i>Not provided</i>
	<b>Summary of the resolution</b>	Say on climate
	<b>How the manager voted</b>	Supported management
	<b>Did the manager communicate its intent to the company ahead of the vote?</b>	Yes
	<b>Rationale for the voting decision</b>	The sector dedicated ESG analyst thoroughly reviewed the proposed transition plan. While there is room for improvement noted, on balance, Mirova was satisfied with the current proposal.
	<b>Outcome of the vote</b>	Pass
	<b>Implications of the outcome</b>	While concerns remain regarding governance of sustainability, Mirova will leverage engagement to push the company to further improve the climate transition target setting and provide meaningful progress reports.
	<b>On which criteria have the vote is considered significant?</b>	Relevant to engagement strategy regarding governance of sustainability.

## CWT UK PENSION SCHEME

### APPENDIX I – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustees' Report)

#### Implementation Statement (continued)

#### Appendix 2 – Significant Voting Examples (continued)

<b>Baillie Gifford</b>	<b>Company name</b>	<b>Markel Group Inc.</b>
	<b>Date of vote</b>	May 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	0.9%
	<b>Summary of the resolution</b>	Shareholder resolution - Climate
	<b>How the manager voted</b>	Supported management
	<b>Did the manager communicate its intent to the company ahead of the vote?</b>	No
	<b>Rationale for the voting decision</b>	Baillie Gifford supported the shareholder proposal regarding disclosure of GHG emissions from the company's underwriting, insuring, and investment activities, considering the potential materiality of climate risk to the company's core activities. Baillie Gifford believes there is scope for improvement of carbon reporting and that this data will enable the company and its shareholders to better understand the company's climate risks.
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome</b>	Baillie Gifford will continue the engagement with the Company on this issue.
	<b>On which criteria have the vote is considered significant?</b>	This resolution is significant because it was submitted by shareholders and received greater than 20% support.

Source: Investment managers