

# Fujifilm Diosynth Biotechnologies UK Pension Fund

Annual Implementation Statement to 31 March 2023

## Introduction

This Implementation Statement ('Statement') sets out how, and the extent to which, the various policies in the Statement of Investment Principles ('SIP') produced by the Trustee have been followed during the year to 31 March 2023. This Statement has been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the subsequent amendment in the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulation 2019, which transpose the EU shareholder Rights Directive (SRD II) into UK law.

This Statement provides detail of the action taken by the Trustee to meet the Fund's policies set out in the SIP over the year. The Appendix describes the voting behavior on behalf of the Trustee along with the relevant statistics over the year. For the avoidance of doubt, this Statement does not include commentary on activity relating to the Fund's AVC holdings and nominal holding in the Henderson Property Fund.

The table later in the document sets out how, and the extent to which, the policies in the DB Section of the SIP have been followed.

## Investment Objectives of the Fund

The Trustee's primary objective is to ensure that the Fund can meet its obligations to the beneficiaries of the Fund (i.e. its members). The Trustee recognises that this ultimately means investing in a "low risk" portfolio of bonds and bond based investments but believes that at the current time some equity and other return seeking asset investment is justified to target enhanced return expectations and thereby funding level improvements. The Trustee recognises that this introduces investment risk and has taken steps to manage these risks.

The Trustee believes that the investment strategy adopted for achieving this objective will also be appropriate for achieving the objectives of avoiding significant volatility in the contribution rate (i.e. monies provided by the Company) over the longer term (whilst recognising that the Fund has a strong funding level and therefore no further deficit reduction contributions are currently payable as the Fund is in surplus on the Technical Provisions basis).

## Review of the SIP

During the year the Trustee reviewed the Fund's SIP (dated October 2021), although it is noted that the revised SIP was formally agreed in April 2023, shortly after the year-end period covered by this Statement. As such the October 2021 SIP is relevant to the reporting period. The update to the SIP reflected the changes to the DB Section's investment strategy which had occurred following favorable funding level improvements which had prompted discussions with the Company around de-risking the Fund's investment strategy ahead of a potential insurer transaction in the future. Specifically, the Trustee agreed to (i) set a Total Liability Hedge Ratio target of 105%, which represented a broad proxy for the buy-out liabilities (implemented in September 2022) and (ii) to de-risk the investment strategy to a growth/matching allocation of 15%/85% (implemented in two tranches, with a 5% reduction in growth assets carried out in March 2023 and a further 5% reduction in growth assets carried out in April 2023).

### Assessment of how the policies in the SIP have been followed for the year to 31 March 2023

The information provided in this section highlights the work undertaken by the Trustee during the year, and longer term where relevant, and sets out how this work followed the Trustee's policies in the SIP, relating to the DB Section of the Fund.

	Requirement	Policy	In the year to 31 March 2023
1	<p>Securing compliance with the legal requirements about choosing investments</p> <p>Section 2.1 of SIP - Process for choosing investments</p>	<p><i>DB Section</i></p> <p><i>The Trustee has appointed a Fiduciary Manager who provides expert advice and chooses investment vehicles that can fulfil the Fund's investment objectives. In the Trustee's opinion, this is consistent with the requirements of Section 36 of the Pensions Act 1995.</i></p>	<p><i>DB Section</i></p> <p>Mercer continues to act as the Fund's appointed Fiduciary Manager, to implement the Trustee's agreed investment strategy. The Trustee continues to be advised by Mercer employees who are sufficiently experienced and FCA regulated to provide advice that is consistent with the requirements of Section 36 of the Pension Act 1995 (as amended).</p> <p>Mercer has been delegated the authority to invest the Fund's assets across various asset classes both with the aim of earning an investment return above the rate of growth in the Fund's liabilities and managing the various risks to which the Fund is exposed.</p> <p>The Fund's assets are invested in multi-client collective investment schemes ("Mercer Funds") managed by a management company (Mercer Global Investments Management Limited ("MGIM")). MGIM has appointed Mercer Global Investments Europe Limited ("MGIE") as investment manager. In practice, MGIE delegates the discretionary investment management for the Mercer Funds to third party investment managers.</p> <p>Investment performance and the actions taken by Mercer, MGIE and the sub- investment managers are reviewed by the Trustee on a quarterly basis.</p> <p>The Trustee, with advice from Mercer, undertakes a full review of the investment strategy on an annual basis. Over 2022, discussions progressed with the Trustee over the Fund's investment strategy. A strategy review was initially presented in April 2022 and discussions continued during the course of the year. As part of those discussions it was agreed to target an explicit 105% total liability hedge ratio, which was considered a broad proxy for the liabilities on a buy-in/out basis. It was also agreed, following Company consultation taking place in Q4 2022 and early 2023, to de-risk the strategy to a growth/matching split of 15%/85% in order to reduce funding level volatility looking ahead to a potential insurer transaction in the years ahead.</p>

2	<p>Risks, including the ways in which risks are to be measured and managed</p> <p>Section 2.3 of SIP - Risk measurement and management</p>	<p><i>DB Section</i></p> <p><i>The Trustee recognises that there are various risks to which any pension Fund is exposed.</i></p> <p><i>Section 2.3 of the SIP comments on each of these various risks. The Trustee will typically consider a combination of quantitative and qualitative measures for assessing these risks when deciding investment policies and evaluating Mercer and MGIE's actions relating to the strategic asset allocation, dynamic asset allocation and choice of sub investment-managers and asset classes.</i></p>	<p>DB Section</p> <p>Mercer has continued to act under its delegated authority to manage the assets with the major risks in mind as detailed in the SIP policy for all decisions taken on the Trustee's behalf. These include but are not limited to the mismatch between assets and liabilities, diversification of assets, manager specific risk, and ESG factors. Mercer provides regular reporting to the Trustee on performance and risk, with the latest quarterly reporting reviewed by the discussed at regular Trustee meetings.</p> <p>The annual reviews of the investment strategy provide the Trustee with an opportunity to consider their long-term objectives and assess risk factors.</p> <p>In order to largely protect against the mismatch between the interest rate and inflation sensitivities of the assets and liabilities, the Trustee has delegated the management of the level of liability hedging subject to the Total Liability Hedge Ratio not deviating significantly from the target of 105%. This was implemented in September 2022 following a strategy review in order to represent a suitable proxy for the movement of the liabilities on a buy-out basis.</p> <p>In addition, the investment strategy report is reviewed by the Trustee on a quarterly basis, which includes consideration of the overall funding level risk and as appropriate comments on the other risks to which the Fund is exposed.</p>
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3	<p>Kinds of investments to be held</p> <p>Section 2.4 of SIP - Investment strategy</p>	<p><i>DB Section</i></p> <p><i>A diversified range of asset classes are to be included within the Fund's investment portfolio, with discretion provided to Mercer; this typically will include: global developed and emerging market equities, emerging market debt, high yield bonds, multi-asset credit, absolute return bonds and property, alternative assets such as hedge funds, bonds (gilts and corporate bonds), as well as Liability Driven Investment ("LDI") funds which invest in bond-like investments in order to provide interest rate and inflation exposure and reduce funding level risk.</i></p>	<p><i>DB Section</i></p> <p>The Trustee has decided to delegate the implementation of the desired investment strategy to Mercer, with pre-agreed notional funding level de-risking triggers having previously been agreed which would prompt notification of the trigger being breached by Mercer to the Trustee. Given the strength of the Fund's funding level, the Fund no longer has any active notional funding level de-risking triggers. The Trustee has taken action to de-risk the Fund as noted earlier in this Statement and going forward will continue to consider the way in which investment risk should be reduced, supported by the provision of regular investment updates provided by Mercer. MGIE constructs portfolios of investments that are expected to maximise the return (net of all costs) given the targeted level of risk and the investment objectives over the lifetime of the Fund.</p> <p>The Trustee on behalf of the Fund hold shares in the Mercer Funds. In its capacity as investment manager to the Mercer Funds, MGIE, and the underlying third party asset managers appointed by MGIE, within parameters stipulated in the relevant appointment documentation, have discretion in the timing of the realisation of investments and in considerations relating to the liquidity of those investments.</p>
4	<p>Expected return on investments</p> <p>Section 2.5 of SIP – Expected return on assets</p>	<p><i>DB Section</i></p> <p><i>The Fund's assets are expected at a minimum to support the expected return used in the latest Actuarial Valuation assumptions.</i></p>	<p><i>DB Section</i></p> <p>The investment strategy report is reviewed by the Trustee on a quarterly basis – this includes the risk and return characteristics of the Fund's investment portfolio. Over the year to 31 March 2023, the Fund has de-risked and reduced the growth allocation from 25% to 20%. For completeness, it is noted that the growth allocation was reduced to 15% in April 2023. This de-risking activity has reduced the expected return of the Fund's assets but has also reduced the funding level volatility.</p>

			<p>The investment performance report includes how each fund in which the Fund's assets are invested is delivering against their specific mandates.</p> <p>Over the 3 years to 31 March 2023, the Fund has returned c.-5.3% p.a. (net of fees) relative to a liability return of -8.3%. Over the period since inception of the fiduciary management arrangements with Mercer to 31 March 2023, the Fund's assets returned 3.9% p.a. relative to a liability benchmark return of 2.7% p.a.</p>
5	<p>Realisation of investments</p> <p>Section 2.6 of SIP – Realisation of investments</p>	<p><i>DB Section</i></p> <p><i>The Trustee's administrators will request for disinvestments from the Fund's invested assets following member requests on retirement or earlier where required.</i></p> <p><i>Mercer and the underlying investment managers have discretion in the timing of realisation of investments and in considerations relating to the liquidity of those investments within parameters stipulated in the relevant appointment documentation.</i></p>	<p><i>DB Section</i></p> <p>The majority of the Fund's assets are invested in daily-dealt pooled fund investment arrangements. These pooled investment arrangements are themselves regulated and underlying investments are mainly invested in regulated markets. Where pooled investment arrangements do not invest assets in regulated markets, these are not expected to account for a material proportion of assets. Therefore, assets should be realisable at short notice, based on the Fund's requirements. Where disinvestments were requested and/or arranged during the year, the policies stipulated within the relevant appointment documentation have been followed.</p>
6	<p>Financially material considerations over the appropriate time horizon of the investments, including how those considerations are taken</p>	<p><i>DB Section</i></p> <p><i>The Trustee considers financially material considerations in the selection, retention and realisation of investments. The</i></p>	<p><i>DB Section</i></p> <p>The Fund's SIP includes the Trustee's policy on Environmental, Social and Governance ('ESG') factors, stewardship and Climate Change. This policy sets out the Trustee's beliefs on ESG and climate change and the processes followed by the Trustee in relation to voting rights and stewardship.</p>

	<p>into account in the selection, retention and realisation of investments</p> <p>Section 4 of SIP – ESG, Stewardship and Climate Change</p>	<p><i>Trustee’s consideration of such factors, including environmental, social and governance factors, is delegated to Mercer who in turn delegate this to the appointed underlying investment managers.</i></p> <p><i>Investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.</i></p>	<p>The Trustee keeps its policies under regular review with the SIP subject to review at least triennially. The following work was undertaken during the year relating to the Trustee’s policy on ESG factors, stewardship and climate change, and sets out how the Trustee’s engagement and voting policies were followed and implemented during the year.</p> <p>Policy Updates</p> <ul style="list-style-type: none"> <li>• The Trustee considers how ESG, climate change and stewardship is integrated within Mercer’s, and MGIE’s, investment processes and those of the underlying asset managers in the monitoring process. Mercer, and MGIE, have provided reporting to the Trustee on a regular basis.</li> <li>• The Mercer Sustainability Policy is reviewed regularly. In August 2022 the policy was updated to reflect enhancements to the approach to climate change modelling and transition modelling, additional detail on how the policy is implemented, monitored and governed and, as part of the commitment to promote diversity, finalising MGIE’s signatory status to the UK chapter of the 30% Club.</li> </ul> <p>Climate Change Reporting and Carbon Foot-printing</p> <ul style="list-style-type: none"> <li>• Mercer undertake climate scenario modelling and stress testing on the Mercer multi sector funds used by the Fund on an annual basis, in line with the Task Force on Climate Related Financial Disclosures (TCFD) recommendations. The results of the climate scenario modelling and carbon foot-printing are within the TCFD compliant Climate Change Management Report. The findings of the modelling are integrated into the asset allocation and portfolio construction decisions Mercer takes, with portfolios increasingly aligned with a 1.5°C scenario, where consistent with investment objectives and for consistency with the 2015 Paris Agreement on Climate Change.</li> </ul>
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			<ul style="list-style-type: none"> <li>The headline Weighted Average Carbon Intensity (“WACI”) metric for all equity funds is reported in the Quarterly Investment Reports whilst an in-depth analysis of top 5 carbon emitters, the top 5 contributors to the WACI, and the trends over time is completed on an annual basis. The latest in-depth analysis is as at 30 June 2022 and is also used by the Mercer and MGIE investment team to drive engagement with managers.</li> </ul> <p>ESG Rating Review</p> <ul style="list-style-type: none"> <li>ESG ratings assigned by Mercer (and its affiliates’) global manager research team, are included in the investment performance reports produced by Mercer on a quarterly basis and reviewed by the Trustee. ESG ratings are reviewed by MGIE during quarterly monitoring processes, with a more comprehensive review performed annually - which seeks evidence of positive momentum on ESG integration. Since Q3 2020 the quarterly performance report has included the Mercer funds overall ESG rating compared to the appropriate universe of strategies in Mercer’s global investment manager database.</li> <li>As at 31 December 2022, in the Annual Sustainability Report provided by Mercer, it is noted that over 20% of Mercer’s funds have seen an improved ESG rating over the year and the vast majority have a rating ahead of the wider universe. Due to the nature of certain strategies, they do not have an ESG rating (i.e. are N rated) and are therefore excluded from the review.</li> </ul> <p>Update to Exclusions</p> <ul style="list-style-type: none"> <li>As an overarching principle, Mercer and MGIE, as the Trustee’s discretionary investment manager, prefer an approach of positive engagement rather than negative divestment. However, Mercer and MGIE recognise that there are a number of cases in which investors deem it unacceptable to profit from certain areas and therefore exclusions will be appropriate.</li> </ul>
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			<ul style="list-style-type: none"> <li>• Controversial and civilian weapons, and tobacco are excluded from active equity and fixed income funds, and passive equity funds. The Mercer sustainability-themed funds have additional exclusions, for example covering gambling, alcohol, adult entertainment and fossil fuels.</li> <li>• In addition, Mercer and MGIE monitors for high-severity breaches of the UN Global Compact (UNGC) Principles that relate to human rights, environmental and corruption issues.</li> <li>• Mercer expanded exclusions to further promote environmental and social characteristics across the majority of the multi-client building block funds over the second half of 2022, in line with EU SFDR Article 8 classification, as well as aligning Mercer's existing active and passive exclusions across their fund range.</li> </ul> <p>Sustainably themed investments</p> <ul style="list-style-type: none"> <li>• An allocation to Sustainable Equities is directly made, with the strategic allocation to Sustainable Equities within the Growth Portfolio. The strategic allocation to Sustainable Equities accounted for 4.3% of the DB section's Growth Portfolio at year-end.</li> <li>• A detailed standalone sustainability monitoring report is produced for the Sustainable Global Equity Fund on an annual basis, including a more granular breakdown of the fund against ESG metrics, for example the UN Sustainability Development Goals.</li> <li>• The actively managed Mercer Sustainable Global Equity Fund includes an impact investing strategy employing fundamental analysis to target companies that aim to achieve a positive Environmental and Social Impact. The strategy is diversified across multiple themes including health and sanitation, affordable housing, education and cyber security</li> </ul>
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			<p>Diversity</p> <ul style="list-style-type: none"> <li>From 31 December 2020 Gender diversity statistics have also been included in the quarterly reporting for the Mercer equity funds and this is being built into a broader investment policy.</li> </ul>
7	<p>The extent (if at all) to which non-financial matters are taken into account in the selection, retention and realisation of investments</p> <p>Section 4 of SIP – ESG, Stewardship and Climate Change</p>	<p><i>DB Section</i></p> <p><i>Member views are not taken into account in the selection, retention and realisation of investments. However, the Trustee believes that the delegation of portfolio construction to Mercer will lead to ESG considerations that are in the best interests of the Fund as a whole.</i></p>	<p><i>DB Section</i></p> <p>No proof required.</p>

8	<p>The exercise of the rights (including voting rights) attaching to the investments</p> <p>Section 4 of SIP – ESG, Stewardship and Climate Change</p>	<p><i>DB Section</i></p> <p><i>Investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.</i></p>	<p><i>DB Section</i></p> <p>The Fund's investments take the form of shares or units in the Mercer Funds. Any voting rights that do apply with respect to the underlying investments attached to the Mercer Funds are, ultimately, delegated to the third party investment managers appointed by MGIE. MGIE accepts that managers may have detailed knowledge of both the governance and the operations of the investee companies and has therefore enabled managers to vote based on their own proxy-voting execution policy and taking account of current best practice including the UK Stewardship Code. As such the Trustee does not use the direct services of a proxy voter.</p> <p>We have set out a summary of voting activity for the year to 31 March 2023 relating to the Mercer Funds relevant to the Fund in the Appendix.</p>
9	<p>Undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, trustees would monitor and engage with relevant persons about relevant matters)</p> <p>Section 4 of SIP – ESG, Stewardship and Climate Change</p>	<p><i>DB Section</i></p> <p><i>Investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.</i></p> <p><i>Outside of those exercised by investment managers on behalf of the Trustee, no other engagement activities are undertaken.</i></p>	<p><i>DB Section</i></p> <p>Investment managers are expected to provide reporting on a regular basis, at least annually including stewardship monitoring results.</p> <p>As the Fund invests solely in pooled funds managed by MGIE (with the exception of the aforementioned legacy property exposure with Henderson which is a negligible proportion of the Fund's overall assets), the Trustee requires that sub-investment managers appointed by MGIE engage with the investee companies on its behalf.</p> <p>The Trustee is looking to enhance its reporting on manager engagement by reviewing an annual voting and engagement report which will be produced by the Trustee's fiduciary manager.</p>

10	<p>How the arrangement with the asset manager incentivises the asset manager to align its investment strategy and decisions with the trustee's policies</p> <p>DB - Section 5 of SIP – Trustee's policies with respect to arrangements with, and evaluation of the performance and remuneration of, asset managers and portfolio turnover costs</p>	<p><i>DB Section</i></p> <p><i>As Mercer manages the Fund's assets by way of investment in Mercer Funds, which are multi-client collective investment funds, the Trustee accepts that it does not have the ability to determine the risk profile and return targets of specific Mercer Funds.</i></p> <p><i>However, the Trustee expects Mercer to manage the assets in a manner that is consistent with the Trustee's overall investment strategy.</i></p> <p><i>The Trustee keeps Mercer's performance under ongoing review and should Mercer fail to align its investment strategies and decisions with the Trustee's policies, it is open to the Trustee to disinvest some or all of the assets managed by Mercer, to seek to renegotiate commercial terms or to terminate Mercer's appointment.</i></p>	<p><i>DB Section</i></p> <p>The Trustee is comfortable that the contractual arrangement in place continues to incentivise Mercer to make decisions based on medium to long-term considerations.</p> <p>The Trustee's investment strategy is based on the advice from Mercer which is predicated on a journey planning framework which is seeking to meet the Trustee's key objectives as defined within the SIP and therefore intrinsically aligns Mercer with said policies.</p> <p>Where underlying asset managers are not meeting expectations, Mercer and MGIE are expected to engage with these managers. This has led to a number of changes to the underlying asset managers within the Mercer funds over the year including within the Mercer Emerging Markets Equity Fund, Mercer Low Volatility Equity Fund, Mercer Global Small Cap Equity Fund, Mercer Global Listed Infrastructure Fund, Mercer Diversifying Alternatives Strategies Fund, Mercer UCITS Alternatives Strategies Fund, Mercer Absolute Return Fixed Income Fund, Mercer Multi Asset Credit Fund, Mercer Dynamic Asset Allocation Fund and the Mercer Sustainable Global Equity Fund.</p> <p>The Trustee has delegated the implementation of investment strategy to Mercer. Mercer's management of the assets, and any investment decisions taken, is cognisant of portfolio transaction costs and performance is reported on a net of fees basis. The Trustee receives information on the costs incurred by the investment arrangements with Mercer on a quarterly basis as well as receiving the annual costs and charges statements required by both MiFID II and more recently the CMA.</p> <p>Further evidence of actions carried out is provided to the Trustee via the quarterly investment strategy reports or a summarised version prepared for investment updates at Trustee meetings – these include a comparison of how the Fund's funding level is progressing versus the projections of the Fund's funding level from the latest investment strategy review in order to assess whether the Trustee is on track to meet the stated objective.</p> <p>As at 31 March 2023 the Fund's funding level on a 'gilts + 0.0%' basis was 114.0%.</p>
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11	<p>How the arrangement incentivises the asset manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term.</p> <p>DB - Section 5 of SIP – Trustee’s policies with respect to arrangements with, and evaluation of the performance and remuneration of, asset managers and portfolio turnover costs.</p>	<p><i>DB Section</i></p> <p><i>The Trustee has appointed Mercer as the discretionary investment manager who has invested the Fund’s assets in a range of Mercer Funds managed by MGIE.</i></p> <p><i>Neither Mercer nor MGIE make investment decisions based on their assessment about the performance of an issuer of debt or equity.</i></p> <p><i>Instead, assessments of the medium to long-term financial and non-financial performance of an issuer are made by the underlying third-party asset managers appointed by MGIE to manage assets within the Mercer Funds. Those managers are in a position to engage directly with such issuers in order to improve their performance in the medium to long term. In their respective roles, Mercer and MGIE assess how each underlying third-party asset managers’ investment capabilities aligns with the relevant financial and non- financial considerations.</i></p>	<p><i>DB Section</i></p> <p>No explicit evidence available.</p>
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12	<p>How the method (and time horizon) of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the Trustee's policies.</p> <p>DB Section 5 of SIP – Trustee's policies with respect to arrangements with, and evaluation of the performance and remuneration of, asset managers and portfolio turnover costs</p>	<p>DB Section</p> <p><i>The Trustee is a long-term investor and is not looking to change its investment arrangements on an unduly frequent basis. However, the Trustee keeps those arrangements under review, including the continued engagement of Mercer using, monthly and quarterly reporting provided by Mercer.</i></p> <p><i>The Trustee monitors, and evaluate, the fees it pays for asset management services on an ongoing basis taking into account the progress made in achieving their investment strategy objectives.</i></p> <p><i>Mercer's, and MGIE's, fees are based on a percentage of the value of the Fund's DB assets under management which covers the design and annual review of the de-risking strategy, and investment management of the assets. In addition, the underlying third- party asset managers of the Mercer Funds also charge fees based on a percentage of the value of the assets under management. In some instances, some of the underlying managers may also be entitled to charge fees based on their performance.</i></p> <p><i>MGIE reviews the fees payable to third party asset managers managing assets invested in the Mercer Funds on a regular basis with any negotiated fee savings passed directly to the Fund.</i></p> <p><i>Mercer's, MGIE's, and the third- party asset managers', fees are outlined in a quarterly investment strategy report prepared for the Trustee, excluding performance-related fees and other expenses involved in the Mercer Funds not directly related with the management fee.</i></p>	<p>DB Section</p> <p>The quarterly investment strategy report or a summarised version and the investment performance which contains the long-term return for the Fund's overall investment portfolio and individual Mercer Funds and investment fees incurred over a quarter were reviewed by the Trustee on a quarterly basis.</p> <p>Over the year, Mercer has continued to monitor the underlying asset managers and provided reporting to the Trustee on their continued suitability.</p> <p>Details of all costs and expenses are included in the Fund Supplements, the Fund's Trustee Report &amp; Accounts and within the Fund's annualised, MiFID II compliant Personalised Cost &amp; Charges statement, with the 2022 statements sent in June 2023. The Fund's Personalised Cost &amp; Charges statement also include details of the transaction costs incurred in the Mercer Funds.</p>
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13	<p>How the trustee monitors portfolio turnover costs incurred by the asset manager, and how they define and monitor targeted portfolio turnover or turnover range.</p> <p>DB - Section 5 of SIP –</p> <p>Trustee’s policies with respect to arrangements with, and evaluation of the performance and remuneration of, asset managers and portfolio turnover costs</p>	<p><i>DB Section</i></p> <p><i>The Trustee does not have an explicit targeted portfolio turnover range within the DB Section, given the notional de-risking mandate, but rebalancing ranges have been designed to avoid unnecessary transaction costs being incurred by unduly frequent rebalancing. Performance is reviewed net of portfolio turnover costs, with the review of portfolio turnover of the underlying investment managers undertaken by MGIE</i></p>	<p>DB Section</p> <p>As noted in the SIP, the Trustee does not explicitly monitor portfolio turnover costs with respect to the Fund’s assets. Investment manager performance was reported and evaluated net of all fees and transaction costs (costs incurred as a result of buying and/or selling assets), and where possible, performance objectives for investment managers were set on a net basis. In this way, managers were incentivised to keep portfolio turnover costs to the minimum required to meet or exceed their objectives.</p>
14	<p>The duration of the arrangement with the asset manager</p> <p>DB and DC - Section 5 of SIP – Trustee’s policies with respect to arrangements with, and evaluation of the performance and remuneration of, asset managers and portfolio turnover costs</p>	<p><i>DB Section</i></p> <p><i>There is no set duration for Mercer’s appointment by the Trustee or an asset managers’ appointment by MGIE.</i></p> <p><i>Mercer’s appointment is reviewed by the Trustee as to their continued suitability and could be terminated either because the Trustee is dissatisfied with Mercer’s ongoing ability to deliver the mandate promised or because of a change of investment strategy by the Trustee.</i></p> <p><i>Similarly, the continued appointment of the underlying asset managers is reviewed by MGIE.</i></p>	<p><i>DB Section</i></p> <p>Mercer has been appointed as a fiduciary management partner to assist the Trustee in achieving the Fund’s long-term objectives. In that role, there is an expectation of a longer term relationship until the journey is completed. This will be reviewed periodically.</p> <p>MGIE provide ongoing oversight of all underlying asset managers and will ensure the asset managers’ continued appropriateness. As such there is no set duration for manager appointments.</p>

## Appendix Voting Activity

The Trustee's investments take the form of shares or units in the Mercer Funds. Any voting rights that do apply with respect to the underlying investments attached to the Mercer Funds are, ultimately, delegated to the third party investment managers appointed by MGIE. MGIE accepts that managers may have detailed knowledge of both the governance and the operations of the investee companies and has therefore enabled managers to vote based on their own proxy-voting execution policy and taking account of current best practice including the UK Stewardship Code. As such the Trustee do not use the direct services of a proxy voter.

The MGIE Engagement Policy outlines this framework.

Set out below is a summary of voting activity for the year to 31 March 2023 relating to the relevant Mercer Funds. This may include information in relation to funds that the Fund's assets were no longer invested in at the year end.

Voting: As part of the monitoring of managers' approaches to voting, MGIE assesses the extent to which managers are voting against management and seeks to obtain the rationale behind voting activities, particularly in cases where split votes may occur (where managers note in different ways for the same proposal). MGIE portfolio managers will use these results to inform their engagements with managers on their voting activities.

The statistics set out in the table below are drawn from the Glass Lewis voting system (via Mercer's custodian). Typically, votes exercised against management can indicate a thoughtful and active approach. This is particularly visible where votes have been exercised to escalate engagement objectives. The expectation is for all shares to be voted.

Fund	Total Proposals		Vote Decision					For/Against Mgmt	
	Eligible Proposals	Proposals Voted On	For	Against	Abstain	No Action	Other	For	Against
Mercer Fundamental Indexation Global Eq	2,326	2,258	82%	14%	0%	3%	0%	79%	21%
Mercer Global Listed Infrastructure Fund	535	497	81%	11%	7%	1%	0%	85%	15%
Mercer Global Small Cap Equity Fund	6,342	6,201	91%	6%	1%	2%	0%	92%	8%
Mercer Low Volatility Equity Fund	8,239	8,083	91%	7%	0%	1%	0%	92%	8%
Mercer Multi-Asset Credit Fund <sup>(1)</sup>	11	11	91%	9%	0%	0%	0%	91%	9%
Mercer Passive Global REITS UCITS CCF	3,117	2,982	79%	16%	0%	4%	0%	79%	21%
Mercer Sustainable Global Equity Fund	6,130	6,001	86%	11%	1%	1%	0%	88%	12%
MGI Emerging Markets Equity Fund	7,793	7,527	82%	14%	3%	0%	0%	84%	16%
MGI Eurozone Equity Fund	4,721	4,610	85%	12%	2%	0%	0%	86%	14%
MGI UK Equity Fund	1,082	1,081	99%	1%	0%	0%	0%	99%	1%
Mercer China Equity Fund	547	544	94%	6%	1%	0%	0%	94%	6%

Vote decision statistics might not sum up to 100% due to rounding

<sup>(1)</sup> Voting Activity figures for the Mercer Multi-Asset Credit fund relate to a small number of equity holdings within the fund's underlying segregated mandates. Please note this does not include voting activity from any underlying pooled strategies within the fund over the period

- “Eligible Proposals” reflect all proposals of which managers were eligible to vote on over the period
- “Proposals Voted On” reflect the proposals managers have voted on over the period (including votes For and Against, and any frequency votes (e.g. 1 year or 3 year votes regarding the frequency of future ‘say-on-pay’) encompassed in the “Other” category)”
- “No Action” reflects instances where managers have not actioned a vote. MGIE may follow up with managers to understand the reasoning behind these decisions, and to assess the systems managers have in place to ensure voting rights are being used meaningfully
- “Other” refers to proposals in which the decision is frequency related (as defined above).

Significant Votes: The Trustee has based the definition of significant votes on Mercer's Beliefs, Materiality and Impact (BMI) Framework. Reported below are the *most* significant proposals over the period, noting that Most Significant Votes are determined using the following criteria:

1. The proposal topic relates to an Engagement Priority (climate change, human/labour rights, and diversity). This is classified in the "Proposal Description" column below, referenced as Environmental, Social, and Governance respectively.
2. The *most* significant proposals reported below relate to the three companies with the largest weight in each fund (relative to other companies in the full list of significant proposals).

## Most Significant Votes

Fund	Company % (Holding Weight in Mercer Fund)	Meeting Date: Proposal Description (Significance Category)	Manager Vote Decision (Intention to vote against management communicated – Rationale, if available)	Proposal Outcome (Next steps to report, if any)	Fund Vote Rationale	Against Mgt pre-communication
Mercer Fundamental Indexation Global Equity CCF	Apple Inc (7%)	10/03/2023: Shareholder Proposal Regarding Median Gender and Racial Pay Equity Report  (Governance)	For	33%  This resolution received 33.8% support, signalling that investors are interested in gender and racial pay gap data disclosure.  Manager will continue monitoring the progress of reporting and will continue supporting resolutions that call for increased disclosures on racial and gender pay gap.	A vote in favour of this proposal was warranted, as shareholders could benefit from the median pay gap statistics that would allow them to compare and measure the progress of the company's diversity and inclusion initiatives.	No
	Rio Tinto plc (1%)	08/04/2022: Approval of Climate Action Plan  (Environmental)	Against	82%  With support rates for Say-on-Climate resolutions being generally high, this resolution receiving 15.7% support demonstrates that more shareholders than average are unsatisfied with Rio Tinto's climate action plan, particularly around the topic of Scope 3. Manager will continue to vote against climate transition plans that are not sufficiently aligned with the Paris Agreement Scenario of 1.5C. The manager also intends to closely monitor Rio Tinto's climate action plan progress as well as any publicly available disclosure.  Additionally, the manager is currently engaging collaboratively with Rio Tinto on the topic of human rights and more specifically regarding the community relations and violations of rights of indigenous people. After Rio Tinto (RT) destroyed two ancient caves the company has strengthen their efforts to rebuilt relationships and change their oversight and governance models. The manager will keep monitoring the company's progress and it's potential involvement in future controversies.	A vote against this item was warranted given the apparent gaps in the company's climate reporting and lack of science-based target setting.	No
	Microsoft Corporation (2%)	13/12/2022: Shareholder Proposal Regarding Report on Hiring Practices  (Social)	For	11%  Manager will monitor the disclosures of the company and will continue to support resolutions to address racial inequality and DEI causes.	A vote in favour of this proposal was warranted because additional information could help shareholders better understand how the company is assessing and managing the progress of its various diversity and inclusion initiatives	No

Fund	Company % (Holding Weight in Mercer Fund)	Meeting Date: Proposal Description (Significance Category)	Manager Vote Decision (Intention to vote against management communicated – Rationale, if available)	Proposal Outcome (Next steps to report, if any)	Fund Vote Rationale	Against Mgt pre-communication
Mercer Global Listed Infrastructure Fund	Dominion Energy inc (5%)	11/05/2022: Shareholder Proposal Regarding Medium-Term Targets For Scope 3 GHG Emissions  (Environmental)	Against	16%  Manager will continue to engage with Dominion to encourage them to set appropriate and meaningful Scope 3 emissions targets.	In December 2021 the manager engaged with Dominion Energy's management on Scope 3 emissions targets.  During this meeting, the company confirmed that they were looking into the next steps on how Scope 3 emissions targets could be set. Given the complexity of this topic, and as the manager was already in active discussion with the company on it, they felt it was reasonable to allow the company time to set meaningful targets rather than supporting this Proposal.	N/a
	Dominion Energy inc (5%)	11/05/2022: Shareholder Proposal Regarding Report on Stranded Asset Risk  (Environmental)	For	75%  Manager will continue to encourage and support improved disclosure on a broad range of RI-related topics by companies within our opportunity set.	This Proposal involved consolidating information that was already being provided by the company into a single report, making it more easily accessible. The manager believed that this request was reasonable, and therefore voted in favour of the Proposal.	No
	SSE Plc. (3%)	21/07/2022: Shareholder Proposal Regarding Racial Equity Audit  (Environmental)	For	98%  "Manager will continue to encourage SSE to accelerate progress on climate change mitigation action and disclosure.  Manager has ongoing dialogue with the company on a range of RI-related topics including net zero, biodiversity, and the deployment of capital.	"In general, the manager believes that proposals seeking approval of a company's climate strategy challenge the basic premise of corporate governance, which dictates that shareholders should elect the board and the board should oversee management and the execution of the company's strategy.  However in this case, the managers had a positive view of the climate change-related measures taken by SSE, and of the disclosure provided by the company on this topic. SSE has committed to Net Zero across all its operations by 2050 at the latest, covering scope 1, 2 and 3 GHG emissions. These ambitions are supported by a series of interim targets approved by the Science Based Targets Initiative (SBTi).  The manager also noted that in the event of a significant vote against this proposal, the company intends to undertake a process of shareholder outreach, inform shareholders of the results of that process, and announce intended measures to take those reservations into account.	N/a

Fund	Company % (Holding Weight in Mercer Fund)	Meeting Date: Proposal Description (Significance Category)	Manager Vote Decision (Intention to vote against management communicated – Rationale, if available)	Proposal Outcome (Next steps to report, if any)	Fund Vote Rationale	Against Mgt pre-communication
Mercer Global Small Cap Equity Fund	Centrica plc (<1%)	07/06/2022: Advisory vote on Climate Transition Plan (Environmental)	For	79%  A vote FOR this resolution was considered warranted although the manager noted it was not without concern for the following reason: • The Company has not provided its short-term targets, raising concerns on the stretch of these targets. Having reduced the scale of its oil and gas exploration and production (E&P) activities during the year, the Company has already materially reduced its emissions compared to 2019.	The main reasons for support are: • Although a complete schedule of comprehensive short, medium and long-term emissions reduction targets has not been provided, there are a range of timelines and targets, and the Company made a public commitment to get near-term targets approved by the Science Based Targets Initiative (SBTi) • Other positive aspects include the commitment to the TCFD recommendations and the intention to regularly (every three years) provide shareholders with an advisory vote on climate at future AGMs.	N/a
	Tesla Inc (<1%)	04/08/2022: Shareholder Proposal Regarding Lobbying Activity Alignment with the Paris Agreement (Environmental)	For	34%  No next steps. While the manager has been supportive of similar proposals put forward at other US holdings, they do not believe there is the same rationale for supporting at Tesla. The manager expressed they are of any concerns that Tesla are executing their strategy in contravention of the Paris Agreement.	Manager opposed the resolution, noting Tesla's core mission is to accelerate the world's transition to sustainable energy and its business strategy is in alignment with the Paris Agreement. The manager felt additional disclosures would be a burdensome with no real benefit to shareholders.	N/a
		04/08/2022: Shareholder Proposal Regarding Policy on Freedom of Association (Environmental)	For	32%  While manager did not support this resolution, they do continue to monitor Tesla's approach and engage with them on issues relating to employee rights. Human capital management, human rights and employee rights have been important themes in their engagements with Tesla and will continue to be.	Manager opposed the resolution, noting these rights are enshrined in the National Labor Relations Act and felt, like any US company, Tesla must comply with the law and this is not a matter for company policy.	N/a

Fund	Company % (Holding Weight in Mercer Fund)	Meeting Date: Proposal Description (Significance Category)	Manager Vote Decision (Intention to vote against management communicated – Rationale, if available)	Proposal Outcome (Next steps to report, if any)	Fund Vote Rationale	Against Mgt pre-communication
Mercer Low Volatility Equity Fund	Alphabet Inc (2%)	01/06/2022: Shareholder Proposal Regarding Human Rights Impact Assessment Report <i>(Social)</i>	For	23%  (None to report)	Managers voted "For" this proposal as shareholders would benefit from increased disclosure regarding how the company is managing human rights-related risks in high-risk countries.	No
		01/06/2022: Shareholder Proposal Regarding Lobbying Activity Alignment with the Paris Agreement <i>(Environmental)</i>	For	19%  (None to report)	Managers voted "For" this proposal as the company and its shareholders are likely to benefit from a review of how the company's and its trade associations' lobbying positions align with Paris Agreement, in light of risks to the company caused by climate change and the company's public position.	No
		01/06/2022: Shareholder Proposal Regarding Report on Physical Risks of Climate Change <i>(Environmental)</i>	For	18%  (None to report)	Managers voted "For" this proposal as shareholders would benefit from increased disclosure regarding how the company is assessing and managing climate change risks.	No
	Canadian Pacific Kansas City Limited (1%)	27/04/2022: Advisory Vote on Approach to Climate Change <i>(Environmental)</i>	For	87%  (None to report)	CPKC has a decarbonisation target across Scope 1, 2 and 3 locomotive operations to reduce emissions intensity 38.3% by 2030. The near-term target is approved by SBTi and aligned with a temperature pathway of well-below 2°C. The manager noted that the temperature alignment is inconsistent with the 1.5°C guidance stipulated in their policy. However, the manager has reviewed the company's climate strategy and engaged with management to encourage target alignment with 1.5°C.	N/a
	Microsoft Corporation (3%)	13/12/2022: Shareholder Proposal Regarding Report on Hiring Practices <i>(Social)</i>	Against	11%  (None to report)	Managers voted AGAINST this resolution, noting that the company has implemented the main requests of the Fair Chance Business Pledge and is disclosing sufficient information for shareholders to be able to assess the impact of its various diversity and inclusion initiatives.	N/a

Fund	Company % (Holding Weight in Mercer Fund)	Meeting Date: Proposal Description (Significance Category)	Manager Vote Decision (Intention to vote against management communicated – Rationale, if available)	Proposal Outcome (Next steps to report, if any)	Fund Vote Rationale	Against Mgt pre-communication
Mercer Passive Global REITS UCITS CCF	Carmila (<1%)	12/05/2022: Approval of Climate Change Ambitions and Targets  (Environmental)	For	98%  The manager will continue to engage with investee companies, publicly advocate their position on this issue and monitor company and market-level progress. The manager will continue to assess companies' transition plans in line with their minimum expectations and assess their progress across E, S and G factors.	A vote FOR is warranted as the company commits to Net Zero on Scope 1 and Scope 2 by 2030 (SBT approved) and Net Zero on all scopes by 2040 with 90% reduction of GHG emissions and 10% compensation.	N/a
	Icade (<1%)	22/04/2022: Approval of Climate Transition and Biodiversity Preservation  (Environmental)	For	99%  The manager will continue to engage with investee companies, publicly advocate their position on this issue and monitor company and market-level progress. The manager will continue to assess companies' transition plans in line with their minimum expectations and assess their progress across E, S and G factors.	A vote FOR this proposal was warranted, as the company presented a 1.5°C trajectory Net Zero ambition with short-, medium- and long-term targets and a detailed roadmap to achieving its goals for this decade. The level of transparency and the governance structure for addressing and dealing with the climate topics appeared robust. The company notably commits to an advisory vote on this matter on a yearly basis. We will keep the company's progress in obtaining SBTi approval for its targets under review.	N/a
	Mercialys (<1%)	28/04/2022: Opinion on Ambition to Fight Climate Change  (Environmental)	Against	79%  The manager will continue to engage with investee companies, publicly advocate their position on this issue and monitor company and market-level progress. The manager will continue to assess companies' transition plans in line with their minimum expectations and assess their progress across E, S and G factors.	Climate change: A vote against is applied as LGIM expects companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short-, medium- and long-term GHG emissions reduction targets consistent with the 1.5°C goal.	No

Fund	Company % (Holding Weight in Mercer Fund)	Meeting Date: Proposal Description (Significance Category)	Manager Vote Decision (Intention to vote against management communicated – Rationale, if available)	Proposal Outcome (Next steps to report, if any)	Fund Vote Rationale	Against Mgt pre-communication
Mercer Sustainable Global Equity Fund	Alphabet Inc (2%)	01/06/2022: Shareholder Proposal Regarding Human Rights Impact Assessment Report  (Social)	For	23%  (None to report)	The manager voted FOR this proposal as enhanced assessment would provide meaningful disclosure and potentially improve understanding of the impact of the company's operations and/or activities on compliance and protection of human rights.	No
	Alphabet Inc (2%)	01/06/2022: Shareholder Proposal Regarding Lobbying Activity Alignment with the Paris Agreement  (Environmental)	For	19%  (None to report)	The manager voted FOR this proposal as the company and its shareholders are likely to benefit from a review of how the company's and its trade associations' lobbying positions align with Paris Agreement, in light of risks to the company caused by climate change and the company's public position.	No
	Alphabet Inc (2%)	01/06/2022: Shareholder Proposal Regarding Report on Physical Risks of Climate Change  (Environmental)	For	18%  (None to report)	The manager voted FOR this proposal given the company and shareholders may benefit from additional disclosure regarding the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	No
	American Water Works Co. Inc. (1%)	11/05/2022: Shareholder Proposal Regarding Report on GHG Targets and Alignment with Paris Agreement  (Environmental)	Split	Withdrawn  (None to report)	While managers were generally supportive of the Company disclosing medium- and long-term GHG targets aligned with the Paris Agreement, the proposal was ultimately withdrawn prior to the meeting.	N/a

	Microsoft Corporation (3%)	13/12/2022: Shareholder Proposal Regarding Report on Hiring Practices  ( <i>Social</i> )	Split	11%  Managers are coordinating engagements with Microsoft on relevant ESG issues, and are also monitoring the company's response to shareholders on this proposal.	For (2): Managers who voted FOR this proposal were supportive of seeing this issue further addressed in the company's forthcoming racial equity audit (results due in 2023).  Against (2): Managers who voted against felt this proposal did not merit support as the company's disclosure and/or practices pertaining to the item are already reasonable.	No
Fund	Company % (Holding Weight in Mercer Fund)	Meeting Date: Proposal Description (Significance Category)	Manager Vote Decision (Intention to vote against management communicated – Rationale, if available)	Proposal Outcome (Next steps to report, if any)	Fund Vote Rationale	Against Mgt pre-communication
MGI Eurozone Equity Fund	Barclays plc (1%)	04/05/2022: Approval of Climate Strategy, Targets and Progress 2022  ( <i>Environmental</i> )	For	80%  (None to report)	A vote FOR this item is considered warranted, although it is not without concern for shareholders. The Company has not committed to further Say on Climate votes. The Company's approach to financed emissions has been the subject of criticism. Concerns are raised with the Company's approach to the target range in respect of power, cement and steel, given that, while the higher end of the range is in line with the IEA NZE, the lower end would not meet expectations. As flagged in last year's report, the Company's restrictive policies, especially as they relate to thermal coal and the expansion of oil and gas, require further improvement to be in line with expectations and with the Company's overarching net zero climate ambitions. The main reasons for support are the Company has a track-record of responding to shareholders on climate concerns. The decision to put a Say on Climate vote to shareholders is further proof of this. While ISS typically flags the benefit of an annual vote given the quickly evolving nature of this space, the Company's responsiveness to shareholder concerns helps to mitigate concerns that this will act as a one-off vote on the Company's climate response. The Company has made clear progress and has set clear targets in the short-to-medium term on its ambition to have net zero operations and reduce supply chain emissions. Improvements have been made on the Company's approach to financed emissions, with new IEA NZE 2050-derived targets in four key sectors, and further targets committed to in future years.	N/a

	Engie (1%)	21/04/2022: Opinion on Climate Transition Strategy  ( <i>Environmental</i> )	For	86%  (None to report)	Managers felt a vote FOR this item was warranted although the following concerns are raised:- The company does not provide a detailed plan further than 2030;- The company does not commit to a regular shareholders' say-on-climate;- The company's greenhouse gas emissions are on the rise with no short-term commitment to overturn this trend. The main reasons for support are:- The company's ambition is Paris-Aligned on full scope by 2045, with an ambition to go beyond that;- The company provides a detailed action roadmap by 2030;- The level of transparency is in line with peers;- The governance structure for addressing and dealing with the climate topics appears robust.	N/a
	TotalEnergies SE  (2%)	25/05/2022: Opinion on 2022 Sustainability and Climate Progress Report  ( <i>Environmental</i> )	For	84%  The manager noted ISS's comment for the next meeting:  • Considering announced increased productions and new production sites, the partial disclosure and the absence of clear absolute scope 3 reduction targets do not allow to assess whether the company's plan is robust enough to be in line with its Net Zero ambition by 2050 in line with Paris goal.	A vote FOR this item is warranted as the following concerns are raised but it is not without any concerns for shareholders:- Considering announced increased productions and new production sites, the partial disclosure and the absence of clear absolute scope 3 reduction targets do not allow to assess whether the company's plan is robust enough to be in line with its Net Zero ambition by 2050 in line with Paris goal. Support is warranted as:- The company committed to reduce by 30 percent scope 3 GHG emissions from oil production by 2030;- The company pursues its investments in alternative sources of energy and CCS technology;- The company committed to disclose absolute targets for GHG emissions covering all activities, the evolution of the energy mix and targeted production volumes, the potential contribution of CCS technology, and the work of assessment carried out by the independent third party; and-The company committed to propose a shareholders' vote at each AGM its sustainable and climate report and progress.	N/a

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MGI UK Equity Fund	Rio Tinto plc (4%)	08/04/2022: Approval of Climate Action Plan <i>(Environmental)</i>	Against	82%  (None to report)	We opposed the climate action plan. We think the company can do more to address its lifecycle emissions, including setting ambitious medium and long-term scope 3 targets. We encouraged Rio Tinto to lead the mining and minerals industry by setting stretching scope 3 emissions reduction targets.	Yes
	Standard Chartered plc (2%)	04/05/2022: Endorsement of Pathway to Net Zero <i>(Environmental)</i>	For	83%  (None to report)	After engagement with the company we believe the company's own net zero plan to be appropriate, and therefore supported the management resolution.	N/a
	Standard Chartered plc (2%)	04/05/2022: Shareholder Proposal Regarding Fossil Fuel Financing <i>(Environmental)</i>	Against	12%  (None to report)	We opposed a shareholder resolution to implement a revised net zero plan. After engagement with the company we believe that the company's own net zero plan to be appropriate.	N/a

- (1) "Mixed" refers to occasions where underlying managers have voted differently for the same proposal. Vote decisions of this nature are monitored and fed into the wider engagement process with managers. In this case, two managers voted 'For' and two 'Against' for American Water works. On Microsoft one manager voted 'For' and 2 managers 'Abstained' from voting.
- (2) Approximate size of the holding in the Fund as at the date of the vote. Size at the end of the relevant quarter.

Taking the analysis included in this document, it is the Trustees' belief that their policies with regard to engagement and the exercise of rights attaching to investments has been successfully followed during the Scheme Year.

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