

Wheelabrator Group Pension Scheme

Engagement Policy Implementation Statement for the year ending 5 April 2025

Introduction

The Trustees of the Wheelabrator Group Pension Scheme (the “Scheme”) have a fiduciary duty to consider their approach to the stewardship of the investments, to maximise financial returns for the benefit of members and beneficiaries over the long term. The Trustees can promote an investment’s long-term success through monitoring, engagement and/or voting, either directly or through their investment managers.

This statement sets out how, and the extent to which, in the opinion of the Trustees, the policies (set out in the Statement of Investment Principles) on the exercise of rights (including voting rights) attaching to the investments, and engagement activities have been followed during the year ending 5 April 2025. This statement also describes the voting behaviour by, or on behalf of, the Trustees including the most significant votes cast during the year, and whether a proxy voter has been used.

The Trustees, in conjunction with their investment consultant, appoint their investment managers (and choose the specific pooled funds to use) in order to meet specific Scheme policies. They expect that their investment managers make decisions based on assessments about the financial (and non-financial performance) of underlying investments (including environmental, social and governance (ESG) factors), and that they engage with issuers of debt or equity to improve their performance (and thereby the Scheme’s performance) over an appropriate time horizon.

The Trustees have decided not to take non-financial matters into account when considering their policy objectives.

Stewardship - monitoring and engagement

The Trustees recognise that an investment manager’s ability to influence the companies in which it invests in will depend on the nature of the investment.

The Trustees acknowledge that the concept of stewardship may be less applicable to some of their assets, particularly for short-term money market instruments, gilt and liability-driven investments. As such, the Scheme’s investments in these asset classes are not covered by this engagement policy implementation statement.

The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage the managers to exercise those rights. The investment managers are expected to provide regular reports for the Trustees detailing their voting activity.

The Trustees also delegate responsibility for engaging and monitoring investee companies to the investment managers (and to the investment platform provider, where applicable) and expect the investment managers (and investment platform provider) to use their discretion to maximise financial returns for members and others over the long term.

The Trustees seek to appoint managers that have strong stewardship policies and processes and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020. Details of the signatory status of each investment manager is shown below:

| Investment manager | UN PRI Signatory | UK Stewardship Code Signatory |
|---------------------------------------|-------------------------|--------------------------------------|
| Legal & General Investment Management | Yes | Yes |
| M&G Investments | Yes | Yes |

The Trustees review each investment manager prior to appointment and monitor them on an ongoing basis through the regular review of the manager's voting and a review of each manager's engagement behaviour. The Trustees may also request their investment consultant's ESG rating to aide them in this process.

As all of the investments are held in pooled vehicles, the Trustees do not envisage being directly involved with peer-to-peer engagement in investee companies.

Investment manager engagement policies

The Scheme's investment manager is expected to have developed and publicly disclosed an engagement policy. This policy, amongst other things, provides the Trustees with information on how the investment manager engages in dialogue with the companies it invests in and how it exercises voting rights. It also provides details on the investment approach taken by the investment manager when considering relevant factors of the investee companies, such as strategy, financial and non-financial performance and risk, and applicable social, environmental and corporate governance aspects.

Links to the investment managers' engagement policies are provided in the Appendix. These policies are publicly available on the investment manager's website.

The latest available information provided by the investment manager (for mandates that contain public equities or bonds) is as follows. Please note that the hedged share classes held by the Scheme hold the same securities as the unhedged share classes.

| Engagement | | | |
|--|--|---|--------------------------------------|
| | LGIM North America Equity Index Fund | LGIM Global Emerging Markets Equity Index Fund | LGIM UK Equity Index Fund |
| Period | 01/04/2024-31/03/2025 | 01/04/2024-31/03/2025 | 01/04/2024-31/03/2025 |
| Engagement definition | Purposeful, targeted communication with an entity (e.g. company, government, industry body, regulator) on particular matters of concern with the goal of encouraging change at an individual issuer and/or the goal of addressing a market-wide or system risk (such as climate). Regular communication to gain information as part of ongoing research should not be counted as engagement. | | |
| Number of companies engaged with over the year | 345 | 753 | 204 |
| Number of engagements over the year | 566 | 978 | 362 |

| Engagement | | | |
|--|--|---|---|
| | LGIM Europe (ex UK) Equity Index Fund | LGIM Japan Equity Index Fund | LGIM Asia Pacific (ex Japan) Developed Equity Index Fund |
| Period | 01/04/2024-31/03/2025 | 01/04/2024-31/03/2025 | 01/04/2024-31/03/2025 |
| Engagement definition | Purposeful, targeted communication with an entity (e.g. company, government, industry body, regulator) on particular matters of concern with the goal of encouraging change at an individual issuer and/or the goal of addressing a market-wide or system risk (such as climate). Regular communication to gain information as part of ongoing research should not be counted as engagement. | | |
| Number of companies engaged with over the year | 209 | 122 | 150 |
| Number of engagements over the year | 335 | 186 | 239 |

| Engagement | | |
|--|--|--|
| | LGIM FTSE Developed Core Infrastructure Index Fund | M&G Total Return Credit Investment Fund |
| Period | 01/04/2024 – 31/03/2025 | 01/04/2024 – 31/03/2025 |
| Engagement definition | Purposeful, targeted communication with an entity (e.g. company, government, industry body, regulator) on particular matters of concern with the goal of encouraging change at an individual issuer and/or the goal of addressing a market-wide or system risk (such as climate). Regular communication to gain information as part of ongoing research should not be counted as engagement. | Interactions between the investor and current or potential investees to influence ESG practices and/or improve ESG disclosure. |
| Number of companies engaged with over the year | 93 | 10 |
| Number of engagements over the year | 155 | 15 |

Exercising rights and responsibilities

The investment managers are expected to disclose annually a general description of their voting behaviour, an explanation of the most significant votes cast and report on the use of proxy voting advisers.

The investment managers publish online the overall voting records of the firm on a regular basis.

The investment managers use proxy advisers for the purposes of providing research, advice or voting recommendations that relate to the exercise of voting rights.

The Trustees do not carry out a detailed review of the votes cast by or on behalf of their investment manager but rely on the requirement for their investment manager to provide a high-level analysis of their voting behaviour.

The latest available information provided by the investment managers (for mandates that contain public equities) is as follows:

| Voting behaviour | | | |
|--|---|---|--------------------------------------|
| | LGIM North America Equity Index Fund | LGIM Global Emerging Markets Equity Index Fund | LGIM UK Equity Index Fund |
| Period | 01/04/2024-31/03/2025 | 01/04/2024-31/03/2025 | 01/04/2024-31/03/2025 |
| Number of meetings eligible to vote at | 629 | 5,092 | 717 |

Engagement Policy Implementation Statement for the year ending 5 April 2025

| | | | |
|--|--------|--------|---------|
| Number of resolutions eligible to vote on | 8,278 | 40,573 | 10,134 |
| Proportion of votes cast | 98.88% | 99.95% | 100.00% |
| Proportion of votes for management | 63.45% | 79.61% | 93.79% |
| Proportion of votes against management | 35.92% | 17.68% | 6.21% |
| Proportion of resolutions abstained from voting on | 0.64% | 2.71% | 0.00% |

Voting behaviour

| | LGIM Europe (ex UK) Equity Index Fund | LGIM Japan Equity Index Fund | LGIM Asia Pacific (ex Japan) Developed Equity Index Fund | LGIM FTSE Developed Core Infrastructure Index Fund |
|--|---------------------------------------|------------------------------|--|--|
| Period | 01/04/2024-31/03/2025 | 01/04/2024-31/03/2025 | 01/04/2024-31/03/2025 | 01/04/2024-31/03/2025 |
| Number of meetings eligible to vote at | 504 | 493 | 459 | 146 |
| Number of resolutions eligible to vote on | 8,539 | 5,970 | 3,442 | 1,870 |
| Proportion of votes cast | 100.00% | 100.00% | 100.00% | 97.91% |
| Proportion of votes for management | 81.54% | 89.87% | 74.52% | 75.20% |
| Proportion of votes against management | 18.05% | 10.13% | 25.31% | 23.81% |
| Proportion of resolutions abstained from voting on | 0.41% | 0.00% | 0.17% | 0.98% |

Trustees' assessment

The Trustees have undertaken a review of each investment manager's engagement policy including its policies in relation to financially material considerations.

The Trustees have reviewed each investment manager's policies relating to engagement and voting and how they have been implemented and have found them to be acceptable at the current time.

The Trustees recognise that engagement and voting policies, practices and reporting, will continue to evolve over time and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020.

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Appendix

Links to the engagement policies for the investment managers can be found here:

| Investment manager | Engagement policy |
|---------------------------------------|---|
| Legal & General Investment Management | https://www.lgim.com/landg-assets/lgim/document-library/capabilities/lgim-engagement-policy.pdf |
| M&G Investments | https://www.mandg.com/~media/Files/M/MandG-Plc/documents/mandg-investments-policies/2023/mginv-engagement-policy-06-23.pdf |

Information on the most significant votes for each of the funds containing public equities is shown below.

| LGIM | Vote 1 | Vote 2 | Vote 3 |
|---|---|--|---|
| UK Equity Index Fund | | | |
| Company name | Shell Plc | Unilever Plc | Glencore Plc |
| Date of Vote | 21/05/2024 | 01/05/2024 | 29/05/2024 |
| Approximate size of fund's holding as at the date of the vote (as % of portfolio) | 7.7 | 4.2 | 2.3 |
| Summary of the resolution | Resolution 22: Approve the Shell Energy Transition Strategy | Resolution 4: Approve Climate Transition Action Plan | Resolution 12: Approve 2024-2026 Climate Action Transition Plan |
| How the fund manager voted | Against | For | Against |
| Where the fund manager voted against | LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is their policy not to engage with their | | |

management, did they communicate their intent to the company ahead of the vote

investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics.

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| Rationale for the voting decision | Climate change: A vote against is applied. We acknowledge the substantive progress the company has made in respect of climate related disclosure over recent years, and we view positively the commitments made to reduce emissions from operated assets and oil products, the strong position taken on tackling methane emissions, as well as the pledge of not pursuing frontier exploration activities beyond 2025. Nevertheless, in light of the revisions made to the Net Carbon Intensity (NCI) targets, coupled with the ambition to grow its gas and LNG business this decade, we expect the company to | Climate change: A vote FOR the CTAP is applied as we understand it to meet LGIM's minimum expectations. 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 a 1.5°C Paris goal. Despite the SBTi recently removing their approval of the company's long-term scope 3 target, we note that the company has recently submitted near term 1.5 degree aligned scope 3 targets to the SBTi for validation and therefore at this stage believe the company's ambition level to be | 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. While we note the progress the company has made in terms of disclosure, we remain concerned over the company's thermal coal activities, as it remains unclear how the planned thermal coal production aligns with global demand for thermal coal under a 1.5°C scenario. |
|-----------------------------------|---|---|--|

better demonstrate how these plans are consistent with an orderly transition to net-zero emissions by 2050. In essence, we seek more clarity regarding the expected lifespan of the assets Shell is looking to further develop, the level of flexibility in revising production levels against a range of scenarios and tangible actions taken across the value chain to deliver customer decarbonisation. Additionally, we would benefit from further transparency regarding lobbying activities in regions where hydrocarbon production is expected to play a significant role, guidance on capex allocated to low carbon beyond 2025 and the application of responsible divestment principles involved in asset sales, given portfolio changes

adequate. We therefore remain supportive of the net zero trajectory of the company at this stage.

| | | | |
|---|---|------|------|
| | form a material lever in Shell's decarbonization strategy. | | |
| Outcome of the vote | Pass | Pass | Pass |
| Implications of the outcome | LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress. | | |
| Criteria on which the vote is assessed to be "most significant" | Thematic - Climate: LGIM is publicly supportive of so called "Say on Climate" votes. We expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile nature of such votes, LGIM deem such votes to be significant, particularly when LGIM votes against the transition plan. | | |

| LGIM | Vote 1 | Vote 2 | Vote 3 |
|---|--------------------------|-------------------------------------|-------------------|
| Global Emerging Markets Equity Index Fund | | | |
| Company name | Tencent Holdings Limited | China Construction Bank Corporation | PDD Holdings Inc. |
| Date of Vote | 14/05/2024 | 27/06/2024 | 20/12/2024 |
| Approximate size of fund's holding as at the date of the vote (as % of portfolio) | 2.9 | 0.7 | 0.7 |

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|---|--|---|--|
| Summary of the resolution | Resolution 3a: Elect Charles St Leger Searle as Director | Resolution 10: Elect William Coen as Director | Resolution 6: Elect Director George Yong-Boon Yeo |
| How the fund manager voted | Against | Against | Against |
| Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote | LGIM 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. | | |
| Rationale for the voting decision | Audit Committee: A vote against is applied as LGIM expects the Committee to be comprised of independent directors. Climate Impact Pledge: A vote against is applied as the company is deemed to not meet minimum standards with regard to climate risk management. | Climate Impact Pledge: A vote against is applied as the company is deemed to not meet minimum standards with regard to climate risk management. | Diversity: A vote against is applied as LGIM expects a company to have at least one-third of women on the board. |
| Outcome of the vote | Pass | N/A | Pass |
| Implications of the outcome | LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress. | | |

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| Criteria on which the vote is assessed to be “most significant” | Thematic - Climate: LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, our flagship engagement programme targeting companies in climate-critical sectors. | Thematic - Climate: LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, our flagship engagement programme targeting companies in climate-critical sectors. | Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf. |
|---|---|---|--|

| LGIM | Vote 1 | Vote 2 | Vote 3 |
|---|--|--|--|
| North America Equity Index | | | |
| Company name | Microsoft Corporation | Amazon.com, Inc. | Alphabet Inc. |
| Date of Vote | 10/12/2024 | 22/05/2024 | 07/06/2024 |
| Approximate size of fund’s holding as at the date of the vote (as % of portfolio) | 5.6 | 3.2 | 2.0 |
| Summary of the resolution | Resolution 9: Report on AI Data Sourcing Accountability | Resolution 6: Report on Customer Due Diligence | Resolution 1d: Elect Director John L. Hennessy |
| How the fund manager voted | For | For | Against |
| Where the fund manager voted against management, did | LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is their policy not to engage with their investee companies in the three | | |

they communicate their intent to the company ahead of the vote weeks prior to an AGM as their engagement is not limited to shareholder meeting topics.

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| Rationale for the voting decision | <p>Shareholder Resolution - Governance: A vote FOR this resolution is warranted as the company is facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While the company has strong disclosures on its approach to responsible AI and related risks, shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models.</p> | <p>Shareholder Resolution & Human Rights: A vote in favour is applied as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for some products and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic.</p> | <p>Average board tenure: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. Diversity: A vote against is applied as LGIM expects a company to have at least one-third women on the board. Independence: A vote against is applied as LGIM expects the Chair of the Committee to have served on the board for no more than 15 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background. Independence: A vote against is applied as LGIM</p> |
|-----------------------------------|---|---|--|

expects the Chair of the Board to have served on the board for no more than 15 years and the board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. Shareholder rights: A vote against is applied because LGIM supports the equitable structure of one-share-one-vote. We expect companies to move to a one-share-one-vote structure or provide shareholders a regular vote on the continuation of an unequal capital structure.

| Outcome of the vote | Fail | N/A | Pass |
|---|---|--|---|
| Implications of the outcome | LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress. | | |
| Criteria on which the vote is assessed to be “most significant” | High Profile meeting: This shareholder resolution is considered | Pre-declaration and High-Profile Meeting: This shareholder resolution is | Thematic - Diversity: LGIM views gender diversity as a financially material |

significant due to the relatively high level of support received.

considered significant as one of the largest companies and employers not only within its sector but in the world, we believe that Amazon's approach to human capital management issues has the potential to drive improvements across both its industry and supply chain. LGIM voted in favour of this proposal last year and continue to support this request, as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for their products (RING doorbells and Rekognition) and has utilised appropriate third parties to strengthen their policies in related areas, there

issue for our clients, with implications for the assets we manage on their behalf. Thematic - One Share One Vote: LGIM considers this vote to be significant as LGIM supports the principle of one share one vote.

remains a need for increased, especially publicly available, transparency on this topic. Despite this, Amazon's coverage and reporting of risks falls short of our baseline expectations surrounding AI. In particular, we would welcome additional information on the internal education of AI and AI-related risks.

| LGIM | Vote 1 | Vote 2 | Vote 3 |
|---|--|---|--|
| Europe (ex UK) Equity Index | | | |
| Company name | Nestle SA | TotalEnergies SE | EssilorLuxottica SA |
| Date of Vote | 18/04/2024 | 24/05/2024 | 30/04/2024 |
| Approximate size of fund's holding as at the date of the vote (as % of portfolio) | 2.9 | 1.7 | 0.7 |
| Summary of the resolution | Resolution 7: Report on Non-Financial Matters Regarding Sales of Healthier and Less Healthy Foods | Resolution 6: Reelect Patrick Pouyanne as Director | Resolution 11: Elect Francesco Milleri as Director |

| How the fund manager voted | For | Against | Against |
|---|--|---|---|
| Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote | LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is their policy not to engage with their investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics. | | |
| Rationale for the voting decision | <p>Shareholder proposal & Health & Nutrition: A vote FOR is applied. LGIM is one of the co-filers of this resolution. We call for more effective targets to increase the availability of healthier food choices for consumers. There is a clear link between poor diets and chronic health conditions such as obesity, heart disease and diabetes. These in turn may lead to increased healthcare costs and decreased productivity, both of which we believe will have negative impacts on the economy. As the</p> | <p>Joint Chair/CEO: A vote against is applied as LGIM expects the roles of Board Chair and CEO to be separate and not to be recombined once separated. These two roles are substantially different and a division of responsibilities ensures there is a proper balance of authority and responsibility on the board.</p> | <p>Joint Chair/CEO: A vote against is applied as LGIM expects the roles of Board Chair and CEO to be separate and not to be recombined once separated. These two roles are substantially different and a division of responsibilities ensures there is a proper balance of authority and responsibility on the board.</p> |

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| | <p>largest food company in the world we believe Nestle sets an example for the rest of the industry in terms of driving positive change and raising market standards.</p> | | |
| Outcome of the vote | N/A | N/A | N/A |
| Implications of the outcome | <p>LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.</p> | | |
| Criteria on which the vote is assessed to be “most significant” | <p>Pre-declaration and High-Profile Meeting: This shareholder resolution is considered significant due to nutrition being an important topic for investors because it has a significant impact on the health and well-being of individuals, communities and societies. The interconnected challenges of obesity, undernutrition and micronutrient deficiencies is estimated to be 5% of global income, or</p> | <p>Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.</p> | <p>Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.</p> |

\$3.5 trillion, per annum. Nutrition is therefore one of our global stewardship sub-themes, under the umbrella of Health.

| LGIM | Vote 1 | Vote 2 | Vote 3 |
|---|--|--|---|
| Japan Equity Index | | | |
| Company name | Toyota Motor Corp. | KEYENCE Corp. | Shin-Etsu Chemical Co., Ltd. |
| Date of Vote | 18/06/2024 | 14/06/2024 | 27/06/2024 |
| Approximate size of fund's holding as at the date of the vote (as % of portfolio) | 5.2 | 1.8 | 1.4 |
| Summary of the resolution | Resolution 1.1: Elect Director Toyoda, Akio | Resolution 2.2: Elect Director Nakata, Yu | Resolution 2.2: Elect Director Saito, Yasuhiko |
| How the fund manager voted | Against | Against | Against |
| Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote | LGIM 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. | | |

| | | | |
|--|--|---|---|
| <p>Rationale for the voting decision</p> | <p>Independence: A vote against is applied due to the lack of independent directors on the board. Independent directors bring an external perspective to the board. Bringing relevant and suitably diverse mix of skills and perspectives is critical to the quality of the board and the strategic direction of the company. We would like to see all companies have a third of the board comprising truly independent outside directors. Diversity: A vote against is applied due to the lack of meaningful diversity on the board. Climate Impact Pledge: A vote against is warranted as we believe there is still a disconnect in Toyota's stated climate ambitions and its current multi-pathway strategy. We encourage Toyota to further develop disclosures that more clearly</p> | <p>Diversity: A vote against is applied due to the lack of meaningful diversity on the board. Accountability: A vote against has been applied as the Company has not provided disclosure surrounding the use of former CEO as Advisor to the Board.</p> | <p>Diversity: A vote against is applied due to the lack of meaningful diversity on the board.</p> |
|--|--|---|---|

articulate how it intends to support a global transition to zero emission vehicles and net zero emissions.

Accountability: A vote against has been applied as the Company has not provided disclosure surrounding the use of former CEO as Advisor to the Board. Additionally, a vote AGAINST Mr Toyoda is warranted because, as a long-time top executive, Mr Toyoda should be considered ultimately accountable for a spate of certification irregularities within the Toyota Motor group. We are concerned that previous and current issues concerning legal certifications processes and safety requirements are indicative of a corporate culture that is not being amended to meet stakeholder expectations and legal requirements.

| | | | |
|---|--|--|--|
| | For this reason, Mr Toyoda must be held accountable until appropriate remediation measures are taken. | | |
| Outcome of the vote | N/A | N/A | N/A |
| Implications of the outcome | LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress. | | |
| Criteria on which the vote is assessed to be “most significant” | Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf. Thematic - Climate: LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, our flagship engagement programme targeting companies in climate-critical sectors. | Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf. | Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf. |
| LGIM | Vote 1 | Vote 2 | Vote 3 |

**Asia Pacific (ex
Japan) Developed
Equity Index**

| | | | |
|---|--|---|---|
| Company name | BHP Group Limited | Westpac Banking Corporation | Woodside Energy Group Ltd. |
| Date of Vote | 30/10/2024 | 13/12/2024 | 24/04/2024 |
| Approximate size of fund's holding as at the date of the vote (as % of portfolio) | 5.1 | 2.6 | 1.3 |
| Summary of the resolution | Resolution 13: Approve Climate Transition Action Plan | Resolution 5b: Elect Margaret Seale as Director | Resolution 2a: Elect Richard Goyder as Director |
| How the fund manager voted | For resolution 13 (in line with management recommendation) | For | Against |
| Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote | LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is their policy not to engage with their investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics. | | |
| Rationale for the voting decision | Climate Change: The critical minerals that mining companies provide are essential to the energy transition. It is clear that BHP has made | Diversity: A vote in favour is applied despite the proportion of women on the Board having fallen below one-third of board members as | Climate Impact Pledge: A vote against is applied as the company is deemed to not meet minimum standards with regard to climate risk |

significant strides in carrying out its core role in the transition in a sustainable manner, and has demonstrated this through the substantial alignment of its Climate Transition Action Plan (CTAP) with our framework for assessing mining company transition plans. Therefore, LGIM will be supporting BHPs CTAP. Going forwards, we will assess the disclosure of progress on BHPs plans for the development of a more targeted methane measurement, management and mitigation strategy, as well as the plans it is executing to support the decarbonisation of steelmaking. We will also continue to engage with BHP to ensure resilience whilst navigating the dynamic market for metallurgical coal.

at the 2024 AGM. However, support is warranted given the Company exceeded its goal of 40% female directors by the 2024 year-end, with some recent board changes at the AGM throwing it out of kilter. We expect companies to increase female participation both on the board and in leadership positions over time and will monitor Westpac's performance in this regard.

management. Additionally, despite the significant proportion of shareholder votes against the company's climate report at the 2022 AGM, we note that no material changes have been incorporated in the most recent climate transition plan, which we view as insufficiently robust, both in terms of disclosure and climate-related targets.

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| Outcome of the vote | N/A | Pass | Pass |
| Implications of the outcome | LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress. | | |
| Criteria on which the vote is assessed to be “most significant” | Pre-declaration: This shareholder resolution is considered significant due to the relatively high level of support received. | Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf. | Pre-declaration and High-Profile Meeting: This shareholder resolution is considered significant due to our vote against the re-election of Richard Goyder (Resolution 2a) is applied in line with our Climate Impact Pledge engagement escalation, whereby we vote against the (re-)election of the Chair of the Board at companies lagging our minimum expectations on climate change; for the oil and gas sector, these are set out in our net-zero sector guide. Thematic - Climate: LGIM considers this vote to be significant as it is applied under the Climate Impact Pledge, our flagship engagement |

programme targeting companies in climate-critical sectors.

| LGIM | Vote 1 | Vote 2 | Vote 3 |
|---|--|--|---|
| FTSE Developed Core Infrastructure Index Fund | | | |
| Company name | NextEra Energy, Inc. | Canadian Pacific Kansas City Limited | The Southern Company |
| Date of Vote | 23/05/2024 | 24/04/2024 | 22/05/2024 |
| Approximate size of fund's holding as at the date of the vote (as % of portfolio) | 6.0 | 3.6 | 3.5 |
| Summary of the resolution | Resolution 1f: Elect Director John W. Ketchum | Resolution 3: Management Advisory Vote on Climate Change | Resolution 1m: Elect Director Christopher C. Womack |
| How the fund manager voted | Against | For | Against |
| Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote | LGIM 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 their engagement is not limited to shareholder meeting topics. | | |
| Rationale for the voting decision | Joint Chair/CEO: A vote against is | Climate change: A vote FOR is applied | Joint Chair/CEO: A vote against is |

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| | <p>applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.</p> | <p>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. As CPKC set targets validated by Science Based Target initiative, we welcome the company's efforts to reduce its GHG emissions and expects to see a clear transition plan.</p> | <p>applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.</p> |
| Outcome of the vote | N/A | Pass | N/A |
| Implications of the outcome | <p>LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.</p> | | |
| Criteria on which the vote is assessed to be "most significant" | <p>Thematic - Board Leadership: LGIM considers this vote to be significant as it</p> | <p>Thematic - Climate: LGIM is publicly supportive of so called "Say on</p> | <p>Thematic - Board Leadership: LGIM considers this vote to be significant as it</p> |

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| <p>is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.</p> | <p>Climate" votes. We expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile nature of such votes, LGIM deem such votes to be significant, particularly when LGIM votes against the transition plan.</p> | <p>is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.</p> |
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Information on the most significant engagement case studies LGIM participated in during the year ending 31 December 2024 (latest available) are shown below.

| LGIM Firm-Level | Case Study 1 | Case Study 2 | Case Study 3 |
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| Name of entity engaged with | BHP Group | Yara International | Nippon Steel Corp |
| Topic | Environment: climate change | Environmental: climate change | Environmental: climate change (Climate Impact Pledge) |
| Rationale | The mining and diversified metals sector is an essential part of the energy transition. In order to support its transition plans, LGIM wants companies within the sector to meet their minimum expectations. BHP | LGIM has been a member of the ShareAction's Chemical Decarbonisation Investor Coalition since 2021, a collaboration aiming to engage with 13 leading European chemical companies, to encourage them to align their | Nippon Steel Corporation is the largest steel maker in Japan and one of the largest globally in terms of production. Traditional steelmaking processes are highly carbon intensive, and a shift to green steel |

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| <p>Group is the world's largest mining company. LGIM's expectations are centred around setting robust decarbonisation strategies, with tangible milestones and appropriate allocation of capital, emissions disclosure and targets, meaningful actions across the company's value chain to support decarbonization levers, as well as disclosure of approach to 'just transition' and lobbying activities mining and diversified metals sector produces minerals that are essential to the energy transition they believe that long-term, responsible investors, such as LGIM, can support these companies as they decarbonise. For their engagements with BHP Group, LGIM's specific objectives are as follows:</p> | <p>decarbonisation strategies with the goal of limiting global warming to 1.5C. The chemicals sector is responsible for over 6% of global GHG emissions and is crucial to a multitude of manufactured goods and industrial processes with 95% of manufactured products relying on this sector. Objectives The collaborative engagement has been focused on the following objectives:</p> <ol style="list-style-type: none"> 1. Set out and disclose a plan over the short, medium, and long term, with time-bound targets, to: <ol style="list-style-type: none"> a. phase in electrified chemical production processes b. increase energy consumption from renewable energy sources c. transition to emissions-neutral feedstocks d. phase out woody biomass from energy generation 2. Set scope 3 targets that are aligned with 1.5C (covering all relevant upstream and | <p>will require a policy environment that supports a sufficient supply of low-carbon alternatives. Assessments undertaken by third-party data providers have demonstrated that Nippon Steel lags its peers on climate policy engagement disclosures, and in 2022 InfluenceMap named Nippon Steel as one of the most influential companies blocking climate policy action globally. Under LGIM's Climate Impact Pledge, they publish their minimum expectations for companies in 20 climate-critical sectors. LGIM selects roughly 100 companies for 'in-depth' engagement - these companies are influential in their sectors, but in LGIM's view are not yet leaders on sustainability; by virtue of their influence, their improvements would be likely to have a</p> |
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| <p>-Engage with BHP on its Climate Action Transition Plan before publication as part of LGIM's 'Say on climate' votes at mining companies and what they expect company transition plans to demonstrate in order for LGIM to support them. UN SDG 13: Climate action</p> | <p>downstream emissions). 3. Explicitly commit to align capital expenditure plans with the objective of limiting global warming to 1.5C; and disclose future capital spending on new and existing assets. Engagement has been through a combination of letters outlining key requests from the coalition (which we have co-signed over the years), followed by direct engagements with selected companies. As part of this coalition, LGIM also provided a joint submission to the SBTi on consultation for draft guidance for the chemical industry contributing to the development of the Chemicals Sector Target-Setting Criteria. UN SDG 13: Climate action</p> | <p>knock-on effect on other companies within the sector, and in supply chains. LGIM's in-depth engagement is focused on helping companies meet these minimum expectations, and understanding the hurdles they must overcome. For in-depth engagement companies, those which continue to lag LGIM's minimum expectations may be subject to voting sanctions and/ or divestment (from LGIM funds which apply the Climate Impact Pledge exclusions). Under LGIM's Climate Impact Pledge, LGIM expects companies to disclose their climate-related lobbying activities, including trade association memberships, and explain the action they will take if the lobbying activities of these associations are not in line with the Paris Agreement.</p> |
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| | | | <p>This has been LGIM's primary objective with Nippon Steel. UN SDG 13: Climate action</p> |
| <p>What the investment manager has done</p> | <p>BHP Group is one of the biggest mining companies in the world. In 2021, the company put its first Climate Transition Action Plan (CTAP) to the vote. LGIM voted against the approval of this plan, as it did not meet their expectations. However, since then, LGIM have met with BHP several times (six times in 2024 alone), including with the company CEO, CFO and Chair. The aim of LGIM's engagements was to provide feedback on BHP's 2024 CTAP and ensure that it met the requirements of their updated assessment framework. Having published their updated expectations of mining company transition plans in Q3 2024, LGIM made their expectations clear. In line with</p> | <p>Following a three-year engagement, in December 2024, LGIM met (as part of the coalition) with Yara International's CEO for the first time to discuss their upcoming transition plan and capex strategy. This engagement was in response to a shareholder resolution filed by ShareAction and four coalition investors, which LGIM voted in favour of at Yara's 2024 AGM. The objective of the engagement was to continue dialogue with the company to include ambitious scope 3 targets and implementation plans in its upcoming Transition Plan, which is due to be published in 2025. The aim was to clearly convey the coalition's expectations to Yara's leading executive during a pivotal period of planning.</p> | <p>LGIM had been engaging with Nippon Steel for many years and specifically through LGIM's Climate Impact Pledge since early 2022, the same year in which they added the 'red line' related to climate-related lobbying. The company failed to meet this criterion, so LGIM made it the focus of their engagement with them for 2023, and expanded their engagement to work collaboratively with other investors to increase their influence. Despite several meetings with the company, the disclosures provided so far have not met LGIM's expectations. Given the significant role that Nippon Steel has in influencing Japanese policy, as well as LGIM's intention to increase</p> |

LGIM's methane strategy objective a letter has been sent to the chairman of BHP group addressing BHP's coal methane emissions. Levels of individual typically engaged with include the Chair and CEO. LGIM welcomed the robust and constructive engagement they enjoyed with BHP this year. It was clear that BHP had made significant strides in improving its CTAP since it put the inaugural one to the vote in 2021. Its plan demonstrates substantial alignment with LGIM's assessment framework, and they believe that it's important that investors recognise progress when it occurs. LGIM was able to vote in favour of the CTAP at the company's 2024 AGM, and they pre-declared their support.

In terms of escalation, in the company's 2024 AGM, LGIM voted in favour of a shareholder resolution requesting that the company set science-based goals to cut scope 3 emissions in line with limiting global warming to 1.5 degrees.

focus on demand-side engagement, LGIM co-filed, together with the Australasian Centre for Corporate Responsibility ('ACCR'), a shareholder proposal asking the company to:
Disclose annually, climate-related and decarbonisation-related policy positions and lobbying activities globally, including its own direct lobbying and industry association memberships, and review these for alignment with the Company's goal of carbon neutrality by 2050 and explain the actions it will take if these activities are determined to be misaligned.
Levels of individual typically engaged with at the company include head of investor relations and the head of sustainability.

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| <p>Outcomes and next steps</p> | <p>That they were able to support BHP Group's Climate Transition Action Plan demonstrates the progress the company has made, and how far it aligns with LGIM's expectations. Going forwards, LGIM will assess the disclosure of progress on BHP's plans for development of a more targeted methane measurement, management and mitigation strategy, as well as plans to execute to support the decarbonisation of steelmaking. They will also continue to engage with BHP to ensure resilience whilst navigating the dynamic market for metallurgical coal.</p> | <p>In terms of next steps, LGIM will monitor Yara's progress in this regard and analyse their forthcoming Transition Plan. This will determine the future direction and objectives of their engagement. LGIM considers the objectives set out above to be in progress.</p> | <p>LGIM was pleased to see that its shareholder resolution (Resolution 8) achieved 27.98% support, sending a strong message to the company's board that investors expect greater transparency on climate-related policy engagement activity. This was also one of the highest levels of support recorded for a climate-related shareholder resolution in Japan. 2024 (and Q1 2025) was pivotal for Japan as the country is scheduled to update its key climate and energy policies. The choices made will determine the direction of its mid-term decarbonisation strategy and the results underscore the scale of investor attention on politically influential companies like Nippon Steel. LGIM will continue engaging with the company and expect to see their board address investor</p> |
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expectations and enhance accountability and transparency in its efforts to influence these policies as they take shape. In terms of LGIM's objective for this engagement, having undertaken the engagements and escalations set out above, LGIM would describe the status as "in progress".

Information on the most significant engagement case studies for M&G as a company for the funds containing public equities or bonds as at 31 March 2025 (latest available) is shown below:

| M&G – Firm-level | Case Study 1 | Case Study 2 | Case Study 3 |
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| Name of entity engaged with | CAPITAL ONE FINANCIAL CORPORATION | ERAMET SA | FORD MOTOR CREDIT COMPANY LLC |
| Topic | Environment - Net Zero/Decarbonisation (including Net Zero Commitments and Climate Transition Plans) | Environment -Nature and Biodiversity | Environment - Net Zero/Decarbonisation (including Net Zero Commitments and Climate Transition Plans) |
| Rationale | US financial company Capital One is set to acquire Discover Financial Services - which offers credit cards, student loans and | To encourage the company to make a public commitment to adhere to globally accepted standards in its treatment of indigenous people and | To encourage automotive manufacturing company Ford to confirm its commitment to getting back on track |

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| | <p>banking services - at the end of 2024. As part of M&G's due diligence, they wanted to ensure that Capital One's sustainability credentials were of a similar calibre to Discover's, and specifically asked the company to set a scope 2 emissions reduction target (it currently has scope 1 and scope 3 targets), to publish its scope 3 category 15 emissions, and to include that in its scope 3 target.</p> | <p>FPIC in all jurisdictions in which it operates, to encourage the company to share publicly detailed information on the environmental impacts in Indonesia, with evidence of steps being taken to mitigate and remediate impacts and to encourage the company to demonstrate publicly what stakeholder engagement they have done / do to identify and manage their impacts, with a deadline of end of February 2026.</p> | <p>with its emissions targets, to update its external disclosures to explain the measures it is taking to get back on track, to affirm and detail how its investment plan is evolving to delivery any adjustment to its transition plan and to set a science-approved net-zero target to reinforce its commitment.</p> |
| <p>What the investment manager has done</p> | <p>M&G met with the company's head of climate and a member of the investor relations team.</p> | <p>M&G had a call with representatives from the company to make their expectations known.</p> | <p>M&G wrote a letter to the company to make their expectations known.</p> |
| <p>Outcomes and next steps</p> | <p>Capital One currently reports 100% renewable energy use, primarily through RECs with a degree of onsite, and as such felt that a scope 2 target was inappropriate. Having previously spoken with the Science Based Target</p> | <p>On 15 January 2025, Eramet was flagged by ESG data provider RepRisk for violating United Nations Global Compact (UNGC) principles, specifically those related to human rights and environmental standards based on allegation made by</p> | <p>Engagement Request Made M&G wrote to Ford as part of their Climate Engagement Programme. As part of M&G's assessment they have undertaken an evaluation of Ford's transition planning. M&G commend Ford</p> |

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| <p>initiative and its approach, which informed M&G that 'maintenance targets' could be set in these circumstances, it was suggested that the company publish such a target to help ensure it would remain focused on renewable sourcing. It was not aware of maintenance targets, and said this would be considered. In terms of category 15 'financed emissions', the company informed M&G that it was currently in the second generation of estimating those emissions, and that it would be publishing the number once it was confident with the calculation. In terms of target setting, Capital One is primarily a consumer finance business, and reductions are dependent on consumer preference - it has made estimates on credit card use - while auto financing is primarily driven by the rate of</p> | <p>NGO Survival International. Of particular contention was Eramet's involvement in Indonesia through its indirect interest in PT Weda Bay Nickel Mine.</p> <p>The company confirmed that the Eramet group has been present in Indonesia since 2006 through PT Weda Bay Nickel (WBN), in association with the Indonesian state-owned company PT Antam. In 2017, the private Chinese company Tsingshan joined the joint venture, acquiring a majority stake. Operations started at the end of 2019. PT Weda Bay Nickel's activity is located in the Indonesia Weda Bay Industrial Park (IWIP), an industrial zone inaugurated in 2018 in Halmahera central district.</p> <p>Responding to the NGO allegations regarding its treatment of the O'Hongana Manyawa peoples, the</p> | <p>for the work undertaken to date. M&G commended Ford on their strong near-term targets, which they noted have been validated by SBTi and there are several areas where further detail would be appreciated. M&G's key questions for Ford are listed below.</p> <p>Key questions</p> <ul style="list-style-type: none"> · Independent analysis of your emissions performance versus your target by the Transition Pathway Initiative (TPI), suggests that your emissions performance is currently off track. Do you believe you are deviating from your emissions targets? If so, can you affirm your commitment to getting on track within the next three years? · Can you detail, and update your external disclosures accordingly, the |
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| <p>change to EVs. While the commercial business is relatively small, it has also begun making estimates, but these clients are primarily middle market, often private companies, and disclosure can vary. Additional target setting would be considered, and M&G will follow up once the acquisition has completed.</p> | <p>company explained that, in Indonesia, there is no legislative or regulatory framework laying down the conditions for implementing a Free Prior Informed Consent (FPIC) process in line with international standards. Although Indonesia voted in favor of the United Nations Declaration on the Rights of Indigenous Peoples, it has not ratified ILO Convention 169, the only binding international instrument protecting the rights of indigenous peoples. The Indonesian Constitution recognizes the existence of customary law communities ("Masyarakat Hukum Adat"). Certain laws grant specific rights to these communities (e.g., the 1960 Agrarian Law and the 1999 Forestry Law). Recognition of a community as a customary law community must be</p> | <p>measures you are undertaking to get on track? Can you specify the actions undertaken and their relative impact on achievement of decarbonisation targets? Additionally, do you expect any change to your expectation that 40% to 50% of your sales will be electric vehicles (EVs) by 2030?</p> <ul style="list-style-type: none"> · Can you affirm and detail how your investment plan is evolving to deliver any adjustment to your transition plan? Can you specify total level of capital expenditure and identify how this will be allocated to different activities within your transition plan? Can you update your disclosures to reflect these changes? · It is our understanding that your net zero commitment was recently removed from the Science Based Targets |
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established by regulation of the local government (province or district), after deliberation by the local parliament.

The O'Hongana Manyawa (also known as Forest Tobelo or Tobelo Dalam) are a mixed group of nomadic and semi-nomadic people who live in the forests of Halmahera Island. The company explained that the O'Hongana Manyawa are not currently recognized in Indonesia as an indigenous people under international law, nor as a customary law community under the Indonesian constitution.

Nevertheless, the company confirmed that PT Weda Bay Nickel has identified this community as potentially vulnerable and requiring special monitoring. Based on international expertise, a protocol has been put in place to govern interactions with groups from this community. Under this

initiative (SBTi) website. Do you plan to set a science-approved net-zero target to reinforce your commitment? M&G asked the company to update them on its plans to address the above questions and will seek a follow up meeting to discuss its approach and understand timescales.

Appendix: Transition Assessment Framework

The framework assesses planning and disclosures that M&G believe are core to managing the energy transition:

1. Emissions disclosure: Companies should disclose scope 1 and 2 GHG emissions and material scope 3 GHG emissions in accordance with the Greenhouse Gas Protocol.
2. NZ Commitment: Companies should disclose an ambition to achieve net zero

protocol, when contact is initiated by these groups or inadvertently, PT Weda Bay Nickel employees are required to adopt culturally appropriate behavior to preserve them. An employee awareness program has been in place for about ten years.

When asked why it has not applied an FPIC automatically, the company explained that the subsidiary (PT Weda Bay Nickel) made a decision to respect local law, however, it was keen to point out that PT Weda Bay Nickel has implemented the specific protocols as mentioned above.

The company confirmed that it has made a public commitment to adhere to globally accepted standards in its treatment of indigenous people and Free, Prior, Informed Consent (FPIC) in the jurisdictions in which it operates in its publicly

GHG emissions to ensure their business is consistent with the goals of the Paris Agreement. Companies should disclose the date by when they seek to achieve net zero and include material scope 1, 2 and 3 emissions.

3. Targets:
Companies should set science-based near-term targets to reduce their GHG emissions in line with the goals of the Paris Agreement. These targets should include scope 1, scope 2 and scope 3 GHG emissions, where they are material. Where appropriate, companies should seek external validation from organisations such as the Science Based Target initiative (SBTi). Companies should also consider setting long-term targets to reach net zero and describe how they

available Human Rights report.

The company confirmed that, at Eramet's instigation, Eramet and Tsingshan decided in 2022 to commit the PT Weda Bay Nickel mine to IRMA (Initiative for Responsible Mining Assurance), the most demanding standard in the international mining sector. The first internal IRMA self-assessments were carried out in 2022 and 2023. Following these self-assessments, a dedicated action plan was drawn up. It is currently being implemented and monitored on a regular basis. An independent third-party audit is scheduled to start in 2026. Once the IRMA cycle has been completed, IRMA audit reports will be published by IRMA and made public.

will neutralise and residual emissions.

4. Transition plan disclosure and quantification: Companies should disclose a transition plan describing how they will deliver their near-term emissions reduction targets. Companies should outline the specific decarbonisation levers that will deliver their emissions reduction. The role these levers play should be quantified to enable an assessment of their relative importance and feasibility of delivery. Companies should report annual progress against each lever identified.

5. Investment plan: Companies should allocate sufficient financial resources to deliver their transition plan and disclose the related capital and R&D expenditure. Transition-aligned capital allocation should specify the total and annual amounts up to the

near-term target year
and, where feasible,
broken down for
each decarbonisation
lever.
