Renold Pension Scheme

Implementation Statement

Purpose of this statement

This implementation statement has been produced by the Trustee of the Renold Pension Scheme ("the Scheme") to set out the following information over the year to 5 April 2025:

- how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year; and
- the voting activity undertaken by the Scheme's investment managers on behalf of the Trustee over the year, including information regarding the most significant votes.

In March 2025, Legal & General Investment Management ('LGIM') announced a rebrand as Legal & General Asset Management ("L&G"). For the purposes of reporting, L&G have confirmed it is still accurate to use the LGIM prefix before fund names. The fund names will be updated in due course.

Given investment managers only report on voting and engagement data quarterly, the information is therefore provided over the year to 31 March 2025 (or 31 December 2024 where 31 March 2025 information is not available).

Conclusions

Based on the information received, the Trustee believes that the investment managers have acted in accordance with the Scheme's policies on exercising rights (including voting rights) and engagement activities. The Trustee is supportive of the key voting action taken by the applicable investment managers over the period to encourage positive governance changes in the companies in which the investment managers hold shares.

How voting and engagement policies have been followed

Based on the information provided by the Scheme's investment managers, the Trustee believes that its policies on voting and engagement have been met in the following ways:

- The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers.
- Annually the Trustee, with input from its investment adviser, receives and reviews (through the Implementation Statement) the voting information and engagement policies of its investment managers to ensure alignment with their own policies. The Trustee, with assistance from its investment adviser, believes that the voting and engagement activities undertaken by the investment managers on their behalf have been in the members' best interests. This exercise was undertaken following the 5 April 2025 Scheme year end.

- Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the investment managers are in alignment with the Scheme's stewardship policies as set out in the Scheme's Statement of Investment Principles.

Stewardship policy

The Trustee's Statement of Investment Principles (SIP) describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in May 2025 and has been made available online here:

Statement of Investment Principles

There have been no changes to the Trustee's stewardship policy over the year to 5 April 2025. The Trustee has delegated the exercise of rights attaching to investments, including voting rights, and in undertaking engagement activities to the Scheme's investment managers.

The Trustee has not set stewardship priorities for the Scheme because the Scheme invests solely through pooled investment vehicles where the Scheme's asset only represents a small proportion of the capital invested in the funds. The Trustee understands that they are constrained by the policies of the managers. Additionally, only 16% (£10.8m as at 31 March 2025) of the Scheme's assets were invested in assets with voting rights attached (i.e. passive equities with L&G).

However, the Trustee takes stewardship priorities, climate risk, and ESG factors into account at manager selection. This is demonstrated through strategy changes made after the Scheme year end, where the Trustee has transferred the regional equity funds into the LGIM Future World Global Equity Index Fund, which is an ESG tilted index where L&G perform engagement on a variety of ESG issues on behalf of the Trustee.

The Trustee also reviews the stewardship and engagement activities of the investment managers annually through their Implementation Statement.

Prepared by the Trustee of the Renold Pension Scheme
September 2025

Voting Data

The Scheme invests entirely in pooled funds and therefore the Scheme's investment managers listed below voted on behalf of the Scheme's holdings in the pooled funds over the year:

- Baillie Gifford & Co Limited ("Baillie Gifford");
- Legal and General Asset Management ("L&G");
- Partners Group (UK) Limited ("Partners Group").

The Baillie Gifford Multi-Asset Growth and Partners Group Generations Fund, which invests across a diverse range of asset classes, and the LGIM Equity Funds are included below as the equity holdings of these funds carry voting rights.

This section provides a summary of the voting activity undertaken by the investment managers within the Scheme's Growth Portfolio on behalf of the Trustee over the year to 31 March 2025. Voting is not applicable to the Alcentra European Direct Lending Fund, the Barings Global High Yield Credit Strategies Fund and the Liability Driven Investment ("LDI") holdings with L&G as these funds invest only in fixed income assets, which do not have voting rights. Therefore, no voting data is presented for Alcentra, Barings or L&G LDI for the purpose of this Implementation Statement.

Over the Scheme year, significant de-risking activity took place, including the complete disinvestment of the Baillie Gifford Multi Asset Growth Fund on 18 October 2024. However, for the purposes of reporting, we have shown data for the fund below as it was held for a majority of the period.

Please note that, as at the Scheme year end, the Trustee was in the process of implementing changes to the Scheme's investment strategy, which included introducing allocations to the following funds:

- LGIM Future World Global Equity Index Fund
- LGIM Global Unconstrained Bond Fund
- Schroders AAA Flexible ABS Fund
- M&G Total Return Credit Investment Fund

However, these funds have been excluded from the data shown below on the basis of materiality as they were incepted on 24 March 2025 and therefore were only invested for a short period of time before the year end of 5 April 2025.

Manager	Baillie Gifford	LGIM	LGIM	LGIM	LGIM	LGIM	Partners Group
Fund name	Multi Asset Growth Fund	Japan Equity Index Fund	North America Equity Index Fund	Europe (ex. UK) Equity Index Fund	Asia Pacific (ex. Japan) Developed Equity Index Fund	UK Equity (5% Capped) Passive Fund	Generations Fund
Structure	Pooled	Pooled	Pooled	Pooled	Pooled	Pooled	Pooled
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behavior.						
No. of eligible meetings	45	493	629	504	459	708	68
No. of eligible votes	627	5,970	8,278	8,539	3,442	10,019	905
% of resolutions voted	96.7	100.0	98.9	100.0	100.0	100.0	100.0
% of resolutions abstained	1.5	0.0	0.6	0.4	0.2	0.0	4.0
% of resolutions voted with management[1]	95.2	89.9	63.5	81.5	74.5	93.9	91.0
% of resolutions voted against management[1]	3.3	10.1	35.9	18.1	25.3	6.1	5.0

[1] As a percentage of the total number of resolutions voted on.

[2] Baillie Gifford do not delegate/ outsource any stewardship activities and all client voting decisions are made in-house in line with their policy. L&G use a proxy adviser, ISS, which enables them to vote electronically but ultimately, all voting decisions are made by L&G and based on L&G's voting policies. Partners Group have created their own policy with Glass Lewis.

Manager	Baillie Gifford	LGIM	LGIM	LGIM	LGIM	LGIM	Partners Group
Proxy voting advisor employed	Voting is in line with their in-house policy and not with proxy voting providers' policies.	-------------------------Institutional Shareholder Services (ISS)-------------------------					Glass Lewis
% of resolutions voted against proxy voter recommendation[2]	n/a	9.1	30.6	8.8	13.2	5.3	3.0

Totals may not sum due to rounding.

Sources: Baillie Gifford, L&G, Partners Group.

Data as at 31 March 2025 for Baillie Gifford and L&G. Data for Partners Group is shown at the most recent date available, 31 December 2024.

Proxy voting

The below summarises how the investment managers utilise their proxy voting services.

L&G

L&G's Investment Stewardship team uses ISS's electronic voting platform to electronically vote clients' shares. All voting decisions are made by L&G and they do not outsource any part of the strategic decisions. To ensure their proxy provider votes in accordance with L&G's position on ESG, L&G have put in place a custom voting policy with specific voting instructions. L&G review their custom voting policy with ISS annually and take into account feedback from their investors.

Partners Group

Partners Group hires services of Glass Lewis & Co, and they have been instructed to vote in line with their Proxy Voting Directive. Wherever the recommendations for Glass Lewis, their proxy voting directive, and the company's management differ, Partners Group vote manually on those proposals.

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the Trustee over the year to be set out. The guidance does not currently define what constitutes a "significant" vote. However, recent guidance states that a significant vote is likely to be one that is linked to one or more of a scheme's stewardship priorities/ themes. The Trustee has not set stewardship priorities/ themes for the Scheme and has asked the investment managers to determine what they believe to be a "significant vote". The Trustee has not communicated voting preferences to their investment managers over the period, as the Trustee is yet to develop a specific voting policy. In future, the Trustee will consider the most significant votes in conjunction with any agreed stewardship priorities/ themes.

Baillie Gifford, Partners Group and L&G have provided a selection of 10 or more votes which they believe to be significant. In the absence of agreed stewardship priorities, the Trustee has selected 3 votes from each manager, that cover a range of themes to represent what it considers the most significant votes cast on behalf of the Scheme. To represent the most significant votes, the votes of the largest holdings relating to each topic are shown below.

A summary of the significant votes provided is set out below, but further information on other significant votes is available upon request. For the Partners Group Generations Fund, private markets investments are the largest exposure within the Fund, and these are typically held directly, where Partners Group controls the board and therefore direction/strategy of the business. The Fund's exposure in listed equity is usually less than 10%. As a result, Partners Group have provided the ESG efforts of the Fund's largest holdings instead of significant votes.

A summary of the significant votes provided to 31 March 2025 is set out on the following pages.

Baillie Gifford Multi Asset Growth Fund

	Vote 1	Vote 2	Vote 3
Company name	American Tower Corporation	Nextera Energy Inc.	Eversource Energy
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.3%	1.2%	1.6%
Summary of the resolution	Social	Climate	Governance
How the manager voted	For	For	For
Rationale for the voting decision	Baillie Gifford supported a shareholder resolution requesting the company report its unadjusted median pay gaps and adjusted pay gaps across race and gender. Baillie Gifford believe this type of data provides valuable insight into pay equity and understand the progress the company is making to address inequity. They also believe the company is lagging other US companies, many of whom provide at least adjusted numbers.	Baillie Gifford supported the resolution on climate lobbying as they believe that clear and transparent support for Paris-aligned goals through lobbying is one-way shareholders look to demonstrate consistency with their climate targets.	Baillie Gifford supported the shareholder proposal on simple majority voting. Baillie Gifford believe that supermajority voting requirements can lead to entrenchment and make it difficult to implement positive corporate governance reforms.
Outcome of the vote	Fail	Fail	Pass
Implications of the outcome	n/a	n/a	n/a
Criteria on which the vote is considered "significant"	This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.	This resolution is significant because it received greater than 20 per cent opposition.	This resolution is significant because it was submitted by shareholders and received greater than 20 per cent support.

LGIM Asia Pacific (ex-Japan) Developed Equity Index Fund

	Vote 1	Vote 2	Vote 3
Company name	BHP Group Limited	Westpac Banking Corporation	Woodside Energy Group Ltd
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	Approve Climate Transition Action Plan	Elect Margaret Seale as Director	Elect Richard Goyder as Director
How the manager voted	For	For	Against
Rationale for the voting decision	L&G noted that it is clear that BHP has made 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 L&G's framework for assessing mining company transition plans. Going forwards, L&G 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. L&G will also continue to engage with BHP to ensure resilience whilst navigating the dynamic market for metallurgical coal.	L&G applied a vote in favour despite the proportion of women on the Board having fallen below one-third of board members as at the 2024 AGM. However, L&G believe 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. L&G 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.	A vote against is applied as the company is deemed to not meet minimum standards regarding climate risk management. Additionally, despite the significant proportion of shareholder votes against the company's climate report at the 2022 AGM, L&G note that no material changes have been incorporated in the most recent climate transition plan, which they view as insufficiently robust, both in terms of disclosure and climate-related targets.
Outcome of the vote	n/a	Pass	Pass
Implications of the outcome	L&G 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 considered "significant"	This shareholder resolution is considered significant due to the relatively high level of support received.	L&G views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.	L&G considers this vote to be significant as it is applied under the Climate Impact Pledge, their flagship engagement programme targeting companies in climate-critical sectors.

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LGIM North America Equity Index Fund

	Vote 1	Vote 2	Vote 3
Company name	Microsoft Corporation	Amazon Inc.	Alphabet Inc.
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	Report on AI Data Sourcing Accountability	Report on Customer Due Diligence	Elect Director John L. Hennessy
How the manager voted	For	For	Against
Rationale for the voting decision	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	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.	L&G expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background.
Outcome of the vote	Fail	Not provided	Pass
Implications of the outcome	L&G 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 considered "significant"	This shareholder resolution is considered significant due to the relatively high level of support received.	This shareholder resolution is considered significant as one of the largest companies and employers not only within its sector but in the world, L&G believe that Amazon's approach to human capital management issues has the potential to drive improvements across both its industry and supply chain. L&G 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.	L&G views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.

LGIM Europe (ex. UK) Equity Index Fund

	Vote 1	Vote 2	Vote 3
Company name	Nestle SA	TotalEnergies SE	Holcim Ltd
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	2.9%	1.7%	0.4%
Summary of the resolution	Report on Non-Financial Matters Regarding Sales of Healthier and Less Healthy Foods	Re-elect Patrick Pouyanne as Director	Approve Climate Report
How the manager voted	For	Against	For
Rationale for the voting decision	L&G 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 they believe will have negative impacts on the economy. As the largest food company in the world they believe Nestle sets an example for the rest of the industry in terms of driving positive change and raising market standards.	L&G 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.	L&G are supportive of progress made this year and improvements made to the report, namely expanding the scope of the 2050 net zero target to include all categories of scope 3 emissions, and the upgrading of 2030 scope 1 and 2 targets.
Outcome of the vote	Not provided		
Implications of the outcome	L&G 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 considered "significant"	Nutrition 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 $3.5 trillion, per annum. Nutrition is therefore one of L&G's global stewardship sub-themes.	L&G considers this vote to be significant as it is in application of an escalation of their vote policy on the topic of the combination of the board chair and CEO.	L&G is publicly supportive of so called "Say on Climate" votes. They 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, L&G deem such votes to be significant.

LGIM UK Equity (5% Capped) Passive Fund

	Vote 1	Vote 2	Vote 3
Company name	Shell Plc	Unilever Plc	London Stock Exchange Plc
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	4.8%	4.5%	1.9%
Summary of the resolution	Approve the Shell Energy Transition Strategy	Approve Climate Transition Action Plan	Approve Remuneration Policy
How the manager voted	Against	For	For
Rationale for the voting decision	L&G acknowledge the substantive progress the company has made in respect of climate related disclosure over recent years, and they 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 targets, coupled with the ambition to grow its gas and LNG business this decade, they expect the company to better demonstrate how these plans are consistent with an orderly transition to net-zero emissions by 2050.	L&G understand the plan meets their minimum expectations. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short, medium and long-term greenhouse gases ("GHG") emission reduction targets consistent with a 1.5°C Paris goal. Despite the Science Based Targets initiative ("SBTi") recently removing their approval of the company's long-term scope 3 target, L&G 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 adequate. L&G therefore remain supportive of the net zero trajectory of the company at this stage.	This follows productive consultation with the company that resulted in improvements to the proposals initially discussed. L&G will review Mr Schwimmer's pay package on an annual basis under the resolution for approval of the remuneration report and may apply a negative vote in the future should they consider his pay no longer reflects company performance or evolving market norms. L&G would not expect any significant changes to the executive directors' pay policy within this three-year policy term.
Outcome of the vote	Pass	Pass	Pass
Implications of the outcome	L&G 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 considered "significant"	L&G is publicly supportive of so called "Say on Climate" votes. L&G expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile of such votes, L&G deem such votes to be significant, particularly when L&G votes against the transition plan.		This resolution is considered significant as L&G overrode their custom vote policy on the basis of the engagement that they had with the company.

LGIM Japan Equity Index Fund

	Vote 1	Vote 2	Vote 3
Company name	Toyota Motor Corp	Keyence Corp.	Nippon Steel Corp.
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	5.2%	1.8%	0.4%
Summary of the resolution	Elect Director Toyoda, Akio	Elect Director Nakata, Yu	Amend Articles to Introduce Executive Compensation System Linked to Emissions Reduction Target and disclose how Compensation Policy Contributes to Achievement of the Target
How the manager voted	Against	Against	For
Rationale for the voting decision	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. L&G would like to see all companies have a third of the board comprising truly independent outside directors. A vote against is also applied due to the lack of meaningful diversity on the board.	A vote against has been applied as the Company has not provided disclosure surrounding the use of former CEO as Advisor to the Board.	L&G expect companies within sectors that can have a significant effect on climate change to link part of their pay to delivering on their climate mitigation goals. This is because they believe that linking GHG reduction targets to executive pay can act as a motivational incentive for the company to execute on its decarbonisation strategy.
Outcome of the vote	Not provided		
Implications of the outcome	L&G 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 considered "significant"	L&G views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.	L&G views gender diversity as a financially material issue for their clients, with implications for the assets L&G manage on their behalf.	This shareholder resolution is considered significant as L&G is clear in its expectations of Climate Transition Plans that companies should disclose credible, 1.5°C aligned short-, medium- and long-term emission reduction targets covering scope 1, 2 and material scope 3 emissions. The current disclosures published by Nippon Steel do not provide L&G with confidence that these expectations are met.

Partners Group Generations Fund

	Vote 1	Vote 2	Vote 3
Company name	Velvet Care	Gren	Confluent Health
ESG effort	Each company represents a direct private equity investment in the Partners Group portfolio of companies, where Partners Group invest directly to obtain control and influence over their operations.		
Implications of the outcome	Since Partners Group investment in early 2024, their primary focus has been on establishing a robust governance framework to support Velvet Care's long-term sustainable growth. Given their control position, they have worked closely with the company to refine its strategic direction, ensuring that sustainability considerations are embedded into decision-making and value creation efforts. Partners Group key initiatives have included strengthening board governance, formalising sustainability oversight, and enhancing workforce engagement strategies. They have also prioritised aligning Velvet Care's policies with global best practices, reinforcing commitments to ethical supply chain management and talent retention. This governance structure lays the foundation for future expansion while maintaining Velvet Care's strong market position. Going forward, Partners Group will continue supporting the company in scaling its workforce development initiatives and deepening sustainability integration across its operations, ensuring that Velvet Care remains well-positioned for sustainable, long-term value creation.	Since Partners Group investment, their focus has been on establishing a strong governance framework to support Gren's continued growth as a leading provider of sustainable energy solutions. In 2024, Partners Group worked closely with the company to formalise governance structures, strengthen board oversight, and align sustainability initiatives with long-term strategic goals. Key achievements include supporting the completion of a Double Materiality Assessment (DMA) in preparation for CSRD compliance and advancing Scope 3 emissions assessments. Partners Group engagement has also enabled Gren to progress on major energy transition projects, such as the Energy on Clyde district heating initiative in Glasgow and the waste-to-energy plant in Acone, Latvia. Additionally, they have helped reinforce supplier accountability, workforce engagement programs, and safety initiatives to ensure operational excellence. Moving forward, Partners Group will continue to support Gren's decarbonisation strategy, focusing on emission reduction targets and expanding its role in delivering sustainable and affordable energy solutions across Northern Europe and the UK.	Since Partners Group investment, they have worked closely with Confluent Health to support its growth as a leading provider of physiotherapy and occupational health services. Partners Group's primary focus has been on expanding access to high-quality healthcare, enhancing workforce development programs, and improving patient outcomes through digitalisation. Key achievements include the rollout of standardised patient outcome tracking, which has allowed for better assessment of therapy effectiveness. Confluent Health has also expanded its network of clinics, ensuring more communities benefit from specialized rehabilitation services. Additionally, the company has strengthened its partnerships with universities to train the next generation of physical therapists, reinforcing a long-term commitment to healthcare education. Looking ahead, Partners Group will continue to support technological advancements in patient care, further expand clinic accessibility, and integrate sustainability best practices within healthcare facilities to ensure operational efficiency while reducing environmental impact.

Data shown at the most recent date available 31 December 2024.

Engagement Data

The investment managers may engage with investee companies on behalf of the Trustee. The table below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds.

Engagement activities are limited for the Scheme's LDI holdings with L&G due to the nature of the underlying holdings, so engagement information for these assets have not been shown.

Derivatives are contracts which the scheme or LDI pooled fund will trade with banks and ESG factors can be applied to banks. However, choosing which bank to trade derivatives with is a distinctly different decision to deciding which bank to buy shares in, whereby ESG factors would be an important consideration. This is because the derivatives that the pension scheme or LDI fund holds are collateralised and/or centrally cleared which reduces the risk that if a bank defaults, there is an adverse effect on the scheme or LDI fund. Engagement therefore has a largely limited impact on the holdings.

Over the Scheme year, significant de-risking activity took place, including the complete disinvestment of the Baillie Gifford Multi Asset Growth Fund on 18 October 2024 and Barings Global High Yield Credit Strategies Fund on 23 January 2025. However, for the purposes of reporting, we have shown data for the funds below as they were held for a majority of the period.

The table below summarises the engagement undertaken by each of the Scheme's investment managers over the year to 31 March 2025.

Manager	Baillie Gifford	Barings	L&G	Partners Group	Alcentra
Fund name	Multi Asset Growth Fund	Global High Yield Credit Strategies Fund	UK Equity (5% Capped) Passive Fund North America Equity Index Fund Europe (ex. UK) Equity Index Fund Japan Equity Index Fund Asia Pacific (ex. Japan) Developed Equity Index Fund	Generations Fund	European Direct Lending Fund
Number of engagements undertaken on behalf of the holdings in this fund in the year	8	167	UK Equity (5% Capped) Passive Fund; 362 North America Equity Index Fund; 566 Europe (ex. UK) Equity Index Fund; 335 Japan Equity Index Fund; 186 Asia Pacific (ex. Japan) Developed Equity Index Fund; 239	Data not available	163*
Number of engagements undertaken at a firm level in the year	795	291	4,459	Data not available	c.370*

Sources: Baillie Gifford, Barings, L&G, Partners Group, Alcentra

*The engagement numbers provided by Alcentra include 54 responses to their ESG questionnaires for Private Credit

Examples of engagement activity undertaken over the year to 31 March 2025

Baillie Gifford Multi Asset Growth Fund: Prysmian S.p.A.

The meeting on 26 March 2024 with Prysmian was convened to discuss governance ahead of the 2024 AGM, focusing on board renewal and executive remuneration changes. Important topics included modern slavery risk in its supply chain, particularly concerning Mica, and progress against its decarbonisation targets.

Baillie Gifford commended Prysmian's transparency and efforts towards achieving nearly 100 per cent certification from critical suppliers, reflecting a significant improvement in mitigating modern slavery risks. This is further supported by the company's commitment to replacing Mica in its products, showcasing a proactive approach to long-term risk minimisation.

Turning to Prysmian's decarbonisation journey, the company has made strong progress, with enhanced scope 1 and 2 emission reduction targets. Baillie Gifford encouraged the company to consider including scope 3 emission reduction targets in future remuneration policy updates, emphasising the importance of addressing emissions from the supply chain comprehensively.

Prysmian's commitment to transparency, ethical supply chain management, and ambitious decarbonisation targets aligns with Baillie Giffords principles, reinforcing confidence in Prysmian's long-term growth prospects and ESG performance.

Barings Global High Yield Credit Strategies Fund: European Food Retailer

The company is currently facing legal challenges due to claims that it was paying unequal salaries across roles within its store and warehouse operations. Similar cases are being heard in relation to retail peers in the market.

In response to this, Barings has engaged with senior management to request details of exposure and understand management’s operational plans to ensure no future reoccurrence. This included requesting disclosure on expected financial fines due to previous underpayments and the cost of adjusting pay going forwards. Whilst management has been open to discussion on the topic there has been limited disclosure to date given uncertainties and an inability to discuss ongoing legal cases.

Barings understands the financial exposure is expected to be manageable for the company. Barings remains comfortable holding an investment in the issuer although has a poor social rating on the issuer until conclusion of the open engagement.

L&G:

L&G’s key engagement topics at a firm level over the year to 31 March 2025 included:

- Climate change
- Deforestation
- Remuneration
- Climate mitigation
- Strategy
- Human rights
- Diversity

One example of L&G’s engagement is regarding climate disclosures in Japan. L&G engaged with Nippon Steel, the largest steel maker in Japan, regarding their disclosures of climate-related and decarbonisation-related policy positions.

Given the highly carbon intensive nature of the steelmaking industry, Nippon Steel's role as one of the largest global steelmakers and the significant role Nippon Steel has in influencing Japanese policy, L&G have engaged repeatedly with Nippon Steel to encourage further climate policy disclosures. Despite previous engagements, L&G remained unsatisfied with the disclosures provided so far and as such filed a shareholder resolution that would require Nippon Steel to "Disclose annually, climate-related and decarbonisation-related policy positions and lobbying activities globally".

Although the shareholder resolution did not pass, it achieved nearly 28% support, one of the highest levels of support recorded for a climate-related shareholder resolution in Japan, demonstrating to the company that investors expect greater transparency on climate-related engagement activity.

Alcentra: IoT provider

Alcentra supported the business as it was carved out of a wider group; as such the business didn't have strong ESG infrastructure at the outset (the associated resources were left with the historic parent company). Alcentra holds a board observer position with the business. Prior to the scheduled board meeting an additional meeting was arranged between the Alcentra Investment team and the CEO and CFO to discuss ESG Strategy with the Group. The Company has set up an ESG Committee, which consists of the CFO and, additional members of the business who have volunteered to act on the committee.

The next step is to see what initiatives are to be implemented by the committee. Discussions are ongoing about local volunteering initiatives. Additionally, Alcentra is engaging with the Group about implementing an ESG margin ratchet.