

# Engagement Policy Implementation Statement (“EPIS”)

W.R. Swann & Co. Limited Retirement Benefits Scheme (the “Scheme”)

Scheme Year End – 30 June 2023

The purpose of the EPIS is for us, the Trustees of the W.R. Swann & Co. Limited Retirement Benefits Scheme, to explain what we have done during the year ending 30 June 2023 to achieve certain policies and objectives set out in the Statement of Investment Principles (“

## How our stewardship policy has been followed

Over the reporting year, we monitored the performance of the Scheme's investments on a quarterly basis, via the monitoring portal – IRIS, and received updates on important issues from our investment adviser, Aon Investments Limited ("Aon"). In particular, we received quarterly ESG ratings from Aon for the funds the Scheme is invested in where available, via the monitoring portal – IRIS.

During the year, we received training on ESG and stewardship topics, and agreed our policies in relation to these.

Each year, we review the voting and engagement policies of the Scheme's investment managers to ensure they align with our own policies for the Scheme and help us to achieve them.

The Scheme's stewardship policy can be found in the SIP:  
<https://www.swann-morton.com/company.php>

The Scheme is invested entirely in pooled funds via Aon, and the responsibility for voting and engagement is delegated to the Scheme's underlying investment managers, which is in line with the Trustees' policy.

We have reviewed the stewardship activity of the material investment managers carried out over the Scheme year and in our view, most of the investment managers were able to disclose good evidence of voting and/or engagement actotdship lahp





## Underlying managers' engagement activity

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

The table below shows some of the engagement activity carried out by the Scheme's material underlying managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e. is not necessarily specific to the funds invested in by the Scheme.

Funds	Number of engagements		Themes engaged on at a fund-level
	Fund specific	Firm level	
LGIM Developed Factor Equity Index Fund	279	1,224	Environment - Climate change Social - Human and labour rights (e.g. supply chain rights, community relations), Human capital management (e.g. inclusion & diversity, employee terms, safety), Inequality, Public health Governance - Remuneration
Aegon Asset Management ("Aegon") European Asset Backed Securities (ABS) Fund	132	441	Environment - Climate change Social - Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying) Governance - Board effectiveness – Diversity Other - Proprietary ESG assessment
M&G Sustainable Total Return Credit Investment Fund	7	157	Environment - Climate change, Net Zero Social - Human and labour rights (e.g. supply chain rights, community relations), Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying)



## Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by Aon in relation to the Scheme's material equity investment manager. We consider a significant vote to be one which the manager considers significant.

<b>LGIM Developed Factor Equity Index Fund</b>  <b>Example 1</b>	<b>Company name</b>	Alphabet Inc.
	<b>Date of vote</b>	02-Jun-2023
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	0.7%
	<b>Summary of the resolution</b>	Approve Recapitalization Plan for all Stock to Have One-vote per Share
	<b>How you voted</b>	For (against management recommendation)
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	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 our policy not to engage with our investee companies in the three weeks prior to an Annual General Meeting ("AGM") as our engagement is not limited to shareholder meeting topics.
	<b>Rationale for the voting decision</b>	Shareholder Resolution - Shareholder rights: A vote in favour is applied as LGIM expects companies to apply a one-share-one-vote standard.
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	LGIM will continue to monitor the board's response to the relatively high level of support received for this resolution.
	<b>On which criteria have you assessed this vote to be "most significant"?</b>	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.
<b>Example 2</b>	<b>Company name</b>	Wells Fargo & Company
	<b>Date of vote</b>	25-Apr-2023

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ambitions, rather than investors imposing restrictions on the company.

**Outcome of the vote**