

INVESTMENT MANAGEMENT REPORT

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

1) Recommendation

That the Committee be asked:

- (a) To approve the amendment of the strategic asset allocation targets for 2023/24 to reflect the table in Section 2 of the report.
- (b) To approve the reallocation of £50 million from Passive Equities to Sterling Corporate Bonds.
- (c) To approve the provision of flexibility to officers to increase the cash balance to up to 4% on a temporary basis.
- (d) To note compliance with the 2023-24 Treasury Management Strategy.

2) Fund Value and Asset Allocation

The strategic asset allocation is set out in the Fund's Investment Strategy Statement (ISS). The ISS shows the long term target allocation, and the target allocation for the year. The target allocation for the year reflects the fact that the private markets allocations will take some time to be achieved as we wait for commitments to be called down.

It is proposed that the revised targets for 23/24 be adopted as shown in the following table:

Asset Class	Long Term Target	2022/23 Target	2023/24 Target
Sterling Corporate Bonds	7%	7%	7%
Multi-Asset Credit	12%	12%	12%
Cash	1%	1%	1%
Total Fixed Interest	20%	20%	20%
Passive Equities	25%	25%	25%
Global High Alpha Equities	5%	5%	5%
Global Smaller Companies	5%	5%	5%
Emerging Market Equities	5%	5%	5%
Sustainable Equities	10%	10%	10%
Total Equities	50%	50%	50%
Diversifying Returns Funds	-	6%	3%
UK Property	8%	8%	8%
International Property	2%	2%	2%
Infrastructure	9%	9%	9%
Private Equity	4%	3%	3%
Private Debt	4%	3%	4%
Local Impact Portfolio	3%	-	1%
Total Alternatives/Other	30%	30%	30%

The long-term target allocation now includes the amendments agreed at the last meeting of the Committee to set a 3% target for a local impact portfolio. An allocation to diversifying returns has been retained pending the drawdown of private market commitments, but the 2023/24 target shows a reduced target anticipating the continuing build-up of the private debt and private equity portfolios and the first allocation(s) to the local impact portfolio.

The table below shows the Fund value and the asset allocation for the Fund compared to the proposed 2023/24 target asset allocation as at 30 June 2023.

Fund Value and Asset Allocation as at 30 June 2023

	Fund Value as at 30.06.23	Target allocation 2023/24	Fund asset allocation at 30.06.23	Variation from Target
	£m	%	%	%
Fixed Interest				
Sterling Corporate Bonds	338.8	7	6.3	
Multi-Asset Credit	646.2	12	12.0	
Cash	30.3	1	0.6	
	1,015.3	20	18.9	-1.1
Equities				
Passive Equities	1,465.0	25	27.3	
Global High Alpha Equities	308.6	5	5.7	
Global Smaller Companies	281.9	5	5.3	
Emerging Markets	231.0	5	4.3	
Sustainable Equities	521.3	10	9.7	
	2,807.8	50	52.3	+2.3
Alternatives/Other				
Diversifying Returns Funds	372.3	3	6.9	
UK Property	365.8	8	6.8	
International Property	102.7	2	1.9	
Infrastructure	480.9	9	9.0	
Private Equity	51.6	3	1.1	
Private Debt	166.5	4	3.1	
Local Impact Portfolio	0.0	1	0.0	
	1,539.8	30	28.8	-1.2
Total Fund	5,362.9	100	100.0	

The key points with regard to the end of quarter asset allocation are summarised below:

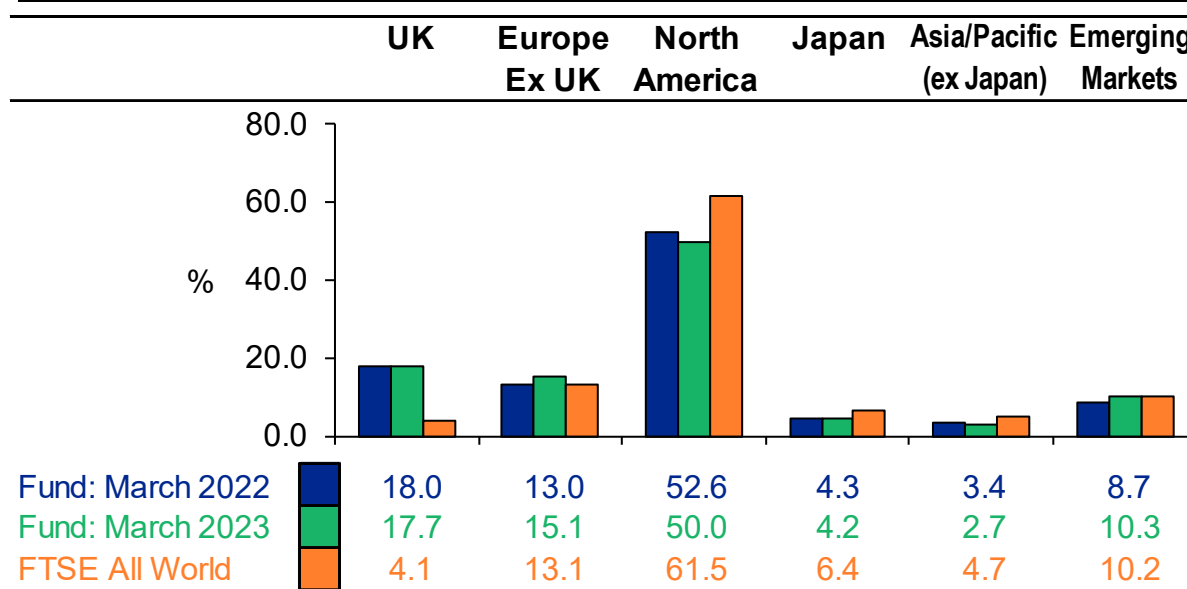
- The Fund value as at 31 March 2023 stood at £5,362.9 million, an increase of around £50 million over the quarter.
- The fixed income allocation is 1.1% below the target allocation, with the biggest underweight being to Sterling Corporate Bonds. The overweight to equities has increased to 2.3% above target.

- c) At the last meeting of the Committee, it was agreed that the UK and core global developed passive allocations should be consolidated into the Global Paris Aligned Benchmark passive fund. This has yet to be implemented due to the lower liquidity in markets during July and August. The intention is that the change will be implemented during the Autumn.
- d) It is proposed that when the passive consolidation is implemented, £50 million should be redeemed as part of the reallocation in order to reduce the overweight and be reallocated to the Sterling Corporate Bonds portfolio.
- e) Within Alternatives/Other, UK Property, private debt and private equity remain below the target allocation pending drawdown of commitments, while no investments have yet been made from the local impact allocation. The allocation to Quinbrook agreed at the last meeting has now been committed and an initial investment was called down in early September.
- f) Given that the private markets allocations in (c) above are below the 2023/24 target weight, the allocation to diversifying returns funds (DRF) remains considerably over the target weight for the year by 3.9%.
- g) With the increased level of interest rates, it is now possible to gain a return of over 5% for cash investments. It may therefore make sense to hold a higher allocation to cash on a temporary basis, pending drawdown of private markets commitments, rather than retaining the 3% overweight to the DRF portfolio. The Committee are therefore asked to allow officers additional flexibility to increase the cash allocation to up to 4% of the Fund value on a temporary basis and bring down the DRF allocation to the 2023/24 target allocation.

Geographical Weighting of Equity Allocation

- h) The following chart gives the geographical split of the Fund's equity allocations against the FTSE All World Index geographical weightings.

Geographical Split of Equity Allocation compared to the FTSE All World Index



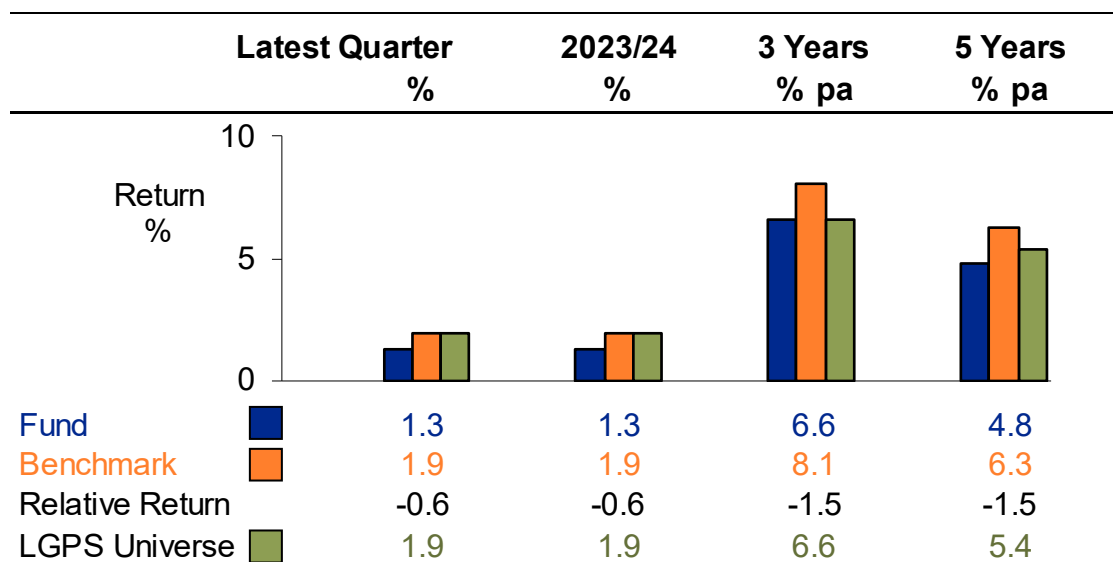
- i) As at 30th June, the Fund retained an overweight to the UK via the investment in the UK Climate Transition Benchmark (CTB) Tracker Fund. When the decision to consolidate the Fund's passive equity allocation, including the UK CTB Funds, into

the global developed Paris aligned benchmark fund is implemented, the UK allocation will more closely align to its weighting in the FTSE All World and other global indices.

3) Fund Performance

The performance of the Total Fund over the last quarter, the financial year to date, and on a rolling three and five year basis is shown in the following chart.

Longer Term Fund Performance Summary



Source for LGPS Universe: PIRC Local Authority Pension Performance Analytics

The performance statistics quoted are net of fees. The LGPS universe figures for the last quarter are based on the asset allocation of the PIRC Local Authority Universe with index returns applied. The previous periods are updated to include actual Universe returns.

The Fund achieved a positive return of +1.3% over the quarter to 30 June, compared with the fund strategic benchmark of +1.9%. The key areas of under-performance against benchmark were Sustainable Equities and Infrastructure.

A breakdown of the performance of the Total Fund for the financial year to date and three years to 30 June 2023 and the comparative Index returns are shown in the following table:

Performance to 30 June 2023

Sector	Financial Year To Date		Three Years		Benchmark Description
	Fund Return	Bench mark	Fund Return	Bench mark	
	%	%	%	%	
Fixed Interest					
Investment Grade Bonds	-2.5	-3.4	-7.8	-8.2	iBoxx Sterling Non-Gilts ¹
Multi-Asset Credit	+1.8	+2.0	+2.5	+6.9	GBP SONIA +4% ¹
Cash	+0.1	+1.1	+0.5	+1.1	GBP 7 Day LIBID
Equities					
Passive Equities	+3.7	+3.7	+10.9	+11.1	Devon Passive Index
Global High Alpha Equities	+3.9	+4.1	+11.1	+11.6	FTSE World / MSCI World
Global Smaller Companies	+0.3	+0.5	-	-	MSCI World Small Cap
Emerging Markets	-2.4	-1.7	+0.3	+1.7	MSCI Emerging Markets
Sustainable Equities	+0.1	+3.4	-	-	MSCI AC World
Alternatives/Other					
Diversifying Returns Funds	+1.0	+2.0	+3.2	+5.2	GBP SONIA +4% ¹
UK Property	+1.1	+0.3	+3.4	+2.3	AREF/IPD UK All Property
International Property	-1.9	-4.0	+8.4	+7.0	MSCI Global Property
Infrastructure	-1.0	+3.0	+6.7	+10.8	CPI + 4% ¹
Private Equity	+0.5	+3.4	-	-	MSCI AC World
Private Debt	+4.1	+3.0	+9.3	+10.8	CPI + 4% ¹

Total Fund	+1.3	+1.9	+6.6	+8.1	Devon Bespoke Index
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Notes

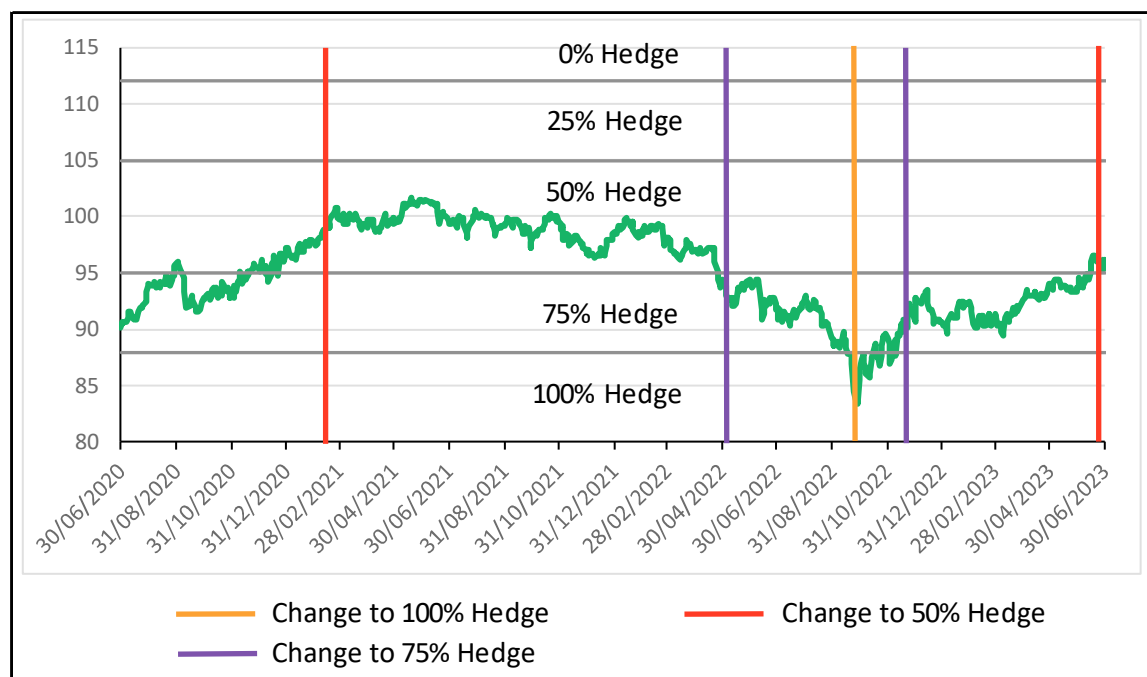
1. the benchmark shown is the current benchmark, but the benchmark return will also incorporate the benchmarks applicable for the earlier part of the 3 year period where the benchmark has changed as a result of transition to Brunel.
- a) The Sterling Corporate Bonds portfolio delivered a negative return of -2.5% in another difficult quarter for bonds, but performed better than the benchmark return of -3.4%.
 - b) Within equities the biggest underperformance against benchmark was on Sustainable Equities. Positive investment returns over the quarter were driven by the outperformance of a small number of tech stocks (including Apple and Microsoft) at the very large cap end of the market cap spectrum, which contributed 85% of market return. The fund is underweight to these stocks, largely due to valuation considerations but also sustainable considerations when considering the investment case for Meta and Tesla.
 - c) Infrastructure was the other significant area of relative underperformance over the quarter. Rising interest rates have impacted on both Infrastructure and Private Equity, as they have fed through to an increase in the cost of capital, most obviously in debt funding costs. This has impacted on valuations to some extent, while the use

of an inflation plus benchmark for Infrastructure has contributed to the underperformance given the high current level of inflation.

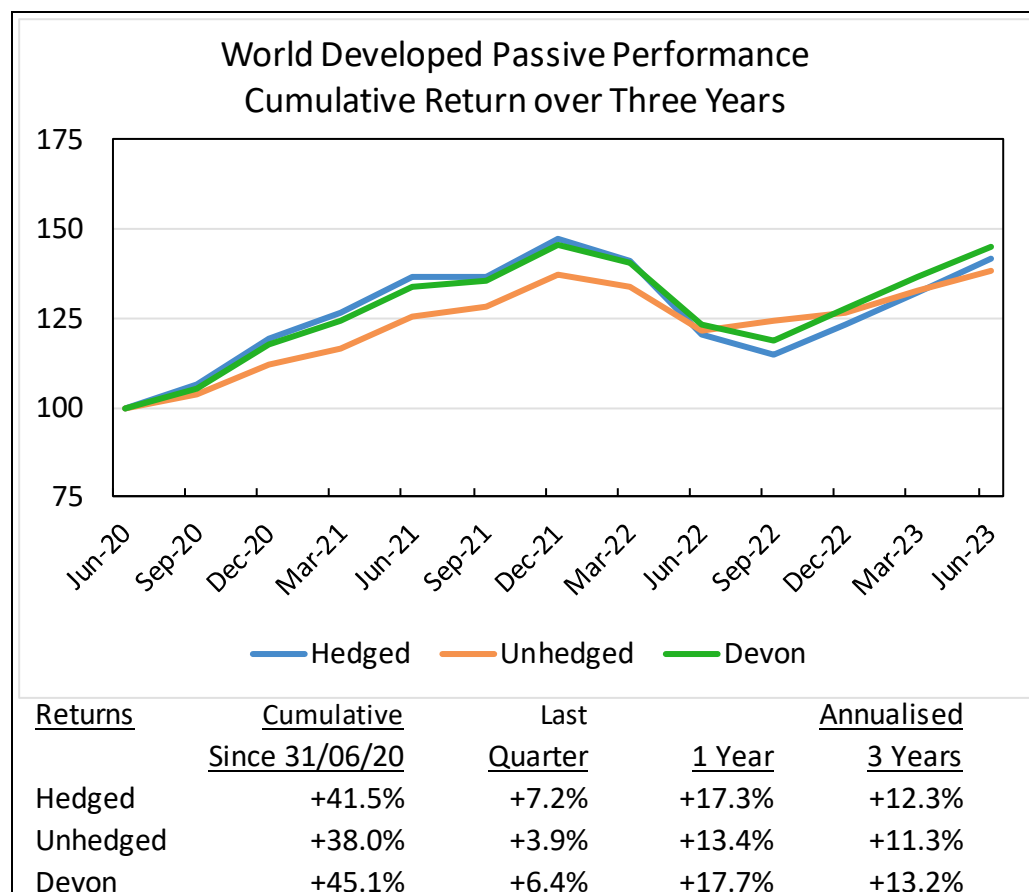
Currency Hedging

- d) The following graph shows the value of Sterling against a weighted average of the other major currencies, over the three years to 31 March 2023. The currency strategy agreed by the Committee is to increase or decrease the hedge ratio on the Fund's global passive equity funds based on the ranges as shown on the chart. The middle (base 100) position reflects a weighted average of £1 = \$1.40, £1 = €1.15 and £1 = ¥150.

Value of Sterling v. Weighted Average of US Dollar, Euro and Yen



- e) The value of the pound rose over the quarter from \$1.236 as at 31 March 2023 to \$1.2714 as at 30 June. As a result, the hedge ratio reduced to 50% towards the end of June. After recovering from the low point of the Autumn “mini-budget”, it now stands at a higher level than a year ago.
- f) Over the quarter, a fully hedged strategy would have delivered a higher return on the global developed passive portfolio, but over the longer periods of one and three years the hedging strategy has delivered a better return than both a fully hedged or a fully unhedged portfolio. This is illustrated in the following chart.



4) Funding Level

The triennial actuarial valuation, as at 31 March 2022, carried out by the Fund Actuary, Barnett Waddingham, determined that the Devon Pension Fund had a funding level of 98.4%.

The Fund Actuary has provided a funding update, as at 30 June 2023, using the approach of rolling forward the data from the 2022 valuation, and updating it for subsequent investment returns, pension and salary increases. While it is not possible to assess the accuracy of the estimated liability as at 30 June 2023 without completing a full valuation, the results will be indicative of the underlying position.

- a) The returns over the period since the 2022 Triennial Valuation are shown in the following table.

Return since 31 March 2022 compared with Actuarial Assumption

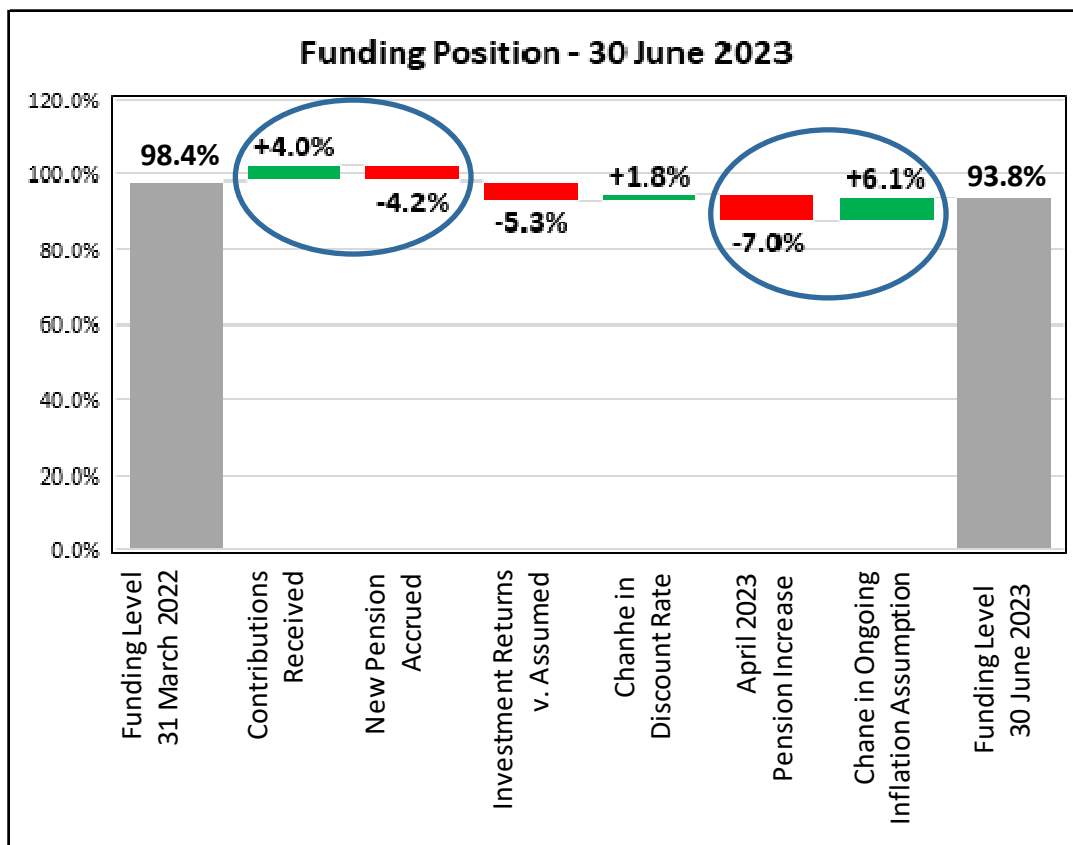
	Actuarial Assumption	Actual Return
2022/23	4.7%	-1.5%
2023/24	4.7%	1.3%
Return since 31/3/22 (annualised)	4.7%	-0.2%

- b) The negative annualised investment return of -0.2% since March 2022 is well below the Actuary's assumption of a +4.7% return. This has a negative impact on the value of Fund assets and therefore on the funding level.

- c) The valuation of liabilities depends on the assumptions used by the Actuary, in particular those for pension and salary increases and the discount rate applied to liabilities. The assumptions used by the Actuary for the June 2023 funding update, compared with those used in the 2022 Triennial Valuation are shown in the following table.

Actuarial Assumptions	March 2022	June 2023
Pension Increases (CPI)	2.90%	2.48%
Salary Increases	3.90%	3.48%
Discount Rate	4.70%	4.85%

- d) The assumption for pension and salary increases has been reduced, but this is offset by the pension increase applicable from April 2023, which is now reflected as an actual increase. The average inflation assumed going forward therefore now excludes the April 2023 increase.
- e) The chart below shows the change in the estimated funding level between 31 March 2022 and 30 June 2023. The circled items show the effect of employer and employee contributions paid into the fund over the year offset by the additional pension liability accrued over the year, and then the impact of the April 2023 pension increase offset by the reduced inflation assumption going forward. The biggest impact is from the negative investment return during 2022/23 which has the effect of reducing the funding level by 5.3%.



- f) In summary, the estimated funding level as at 31 March 2023 is 93.8%, compared with the funding level as at the 2022 Triennial Valuation of 98.4%. While this is a decrease from the 2022 funding level, it is a slight improvement on the estimated level as at 31 March 2023, which was 93.3%.

5) Budget Forecast 2023/24

Appendix 1 shows the income and expenditure for 2023/24 against the original budget forecast. The following points should be noted.

- a) Contributions income and pension benefit payments to date are broadly in line with the budget.
- b) Investment income from property, infrastructure and private debt is received in cash and can be used to aid cashflow. Income to date is ahead of budgeted income.
- c) The high actual expenditure to date on Peninsula Pensions is because the annual licence fee for the pension administration system is paid during the first quarter. In addition, Somerset Pension Fund will not have been invoiced for their share. Therefore, no significant variance is anticipated at year end at this stage.
- d) The invoiced investment management fees line represents the overhead costs of Brunel. All other fees are taken directly from the funds and are charged based on a percentage of the value of the assets under management. No significant variances are expected at this stage, but much will depend on asset performance over the rest of the financial year.
- e) Transaction costs for the year to date are higher than expected, to some extent reflecting initial costs in relation to new private market fund commitments. These will be carefully monitored over the remainder of the year.
- f) Oversight and Governance costs are anticipated to be in line with the budget forecast. The pattern of expenditure on these headings will be variable across the year depending on when charges are raised.

6) Cash Management

The following table shows that the unallocated cash on deposit, as at 30 June 2023, was £23.9 million, plus \$3.4 million in US Dollars. By 31 August, the cash on deposit had increased to £52.1 million, plus \$3.7 million in US Dollars. The increase in cash resulted from a redemption of £50 million from the Diversified Returns Fund portfolio in order to fund private markets calls. Further calls are expected during September.

The cash held has been maintained at a target level of only 1% of the Fund, mainly for cashflow purposes, although the return now achievable from cash is significantly higher than it was 12 months ago.

Cash on Deposit

Type of Deposit	Maturity period	Actual as at 30/06/23	Average Interest Rate	Current as at 31/08/23	Average Interest Rate
GBP Deposits		£m	%	£m	%
Call and Notice Accounts	Immediate	18.9	4.79	37.1	5.18
	35 Day Notice	0.0		0.0	
Term Deposits	<30 Days	5.0	5.00	15.0	5.90
	>30 Days	0.0		0.0	
TOTAL GBP		23.9	4.83	52.1	5.38
USD Deposits		\$m	%	\$m	%
Call and Notice Accounts	Immediate	3.4	5.18	3.7	5.40

Points to note:

- The weighted average rate being earned on GBP cash deposits, as at 30th June 2023, was 4.83%. By the end of August this had increased to 5.38% as rates have continued to improve as the Bank of England have continued to make regular increases to the base rate.
- The deposits in place during 2022-23 fully complied with the Fund's Treasury Management and Investment Strategy.

7) Voting and Engagement

As a responsible investor, the Fund should report regularly on its engagement activity. Each year the Financial Reporting Council (FRC) publishes a list of asset owners and asset managers who are accredited signatories to the UK Stewardship Code, which sets high standards for how asset owners should fulfil their responsibilities as owners of the assets they hold. The Devon Pension Fund are accredited signatories to the Code.

Voting and engagement are delegated to the Brunel Pension Partnership for the actively managed equity portfolios and to Legal and General Investment Management (LGIM) for the passive portfolios. On significant issues, Brunel may request that their shares held by LGIM are split out and a different vote made. The voting records of Brunel and LGIM at company meetings held over the last quarter is summarised in the following table.

Votes Cast at Company Meetings in the quarter to 30 June 2023

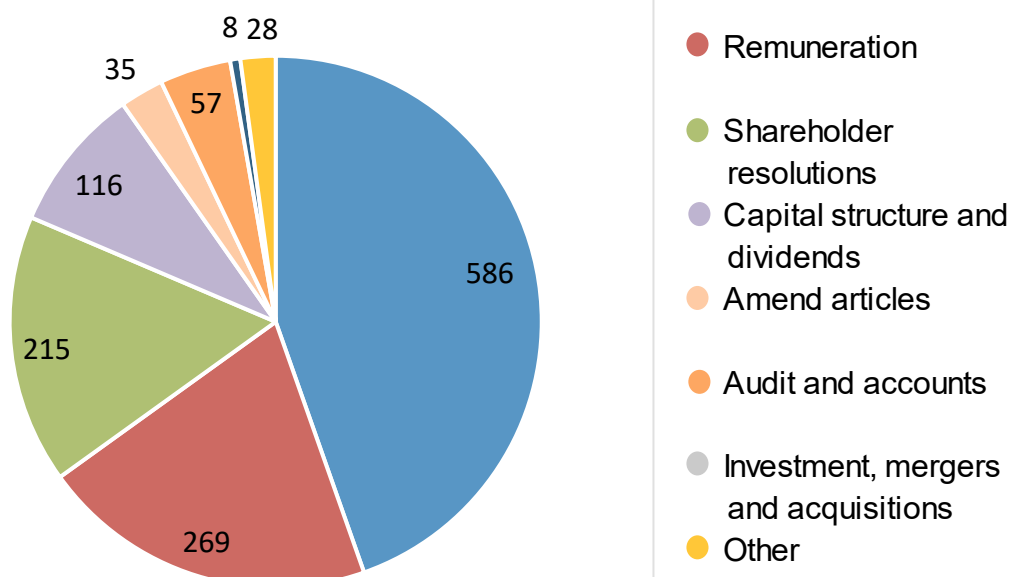
Manager	Quarter to 30 June 2023		
	Number of Meetings	Number of Resolutions	Votes against management recommendation
Brunel / LGIM Passive Portfolios	2,243	34,548	7,435
Brunel - Active Portfolios	544	7,214	1,314

Points to note:

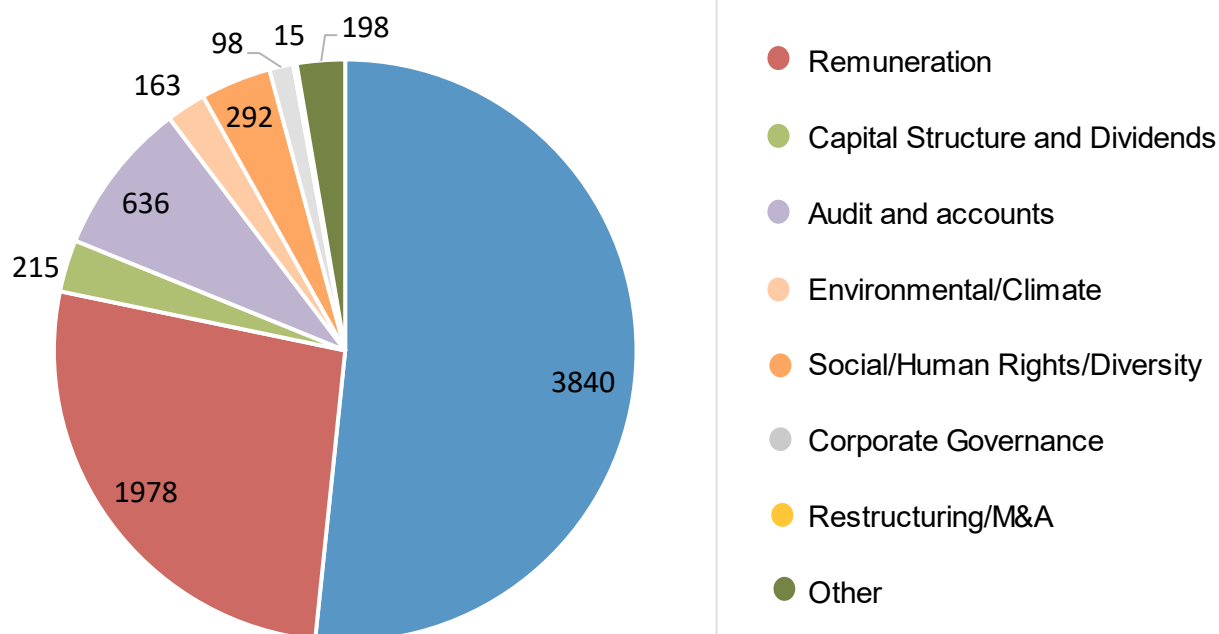
- a) Brunel actively vote the shares held within their funds on behalf of their client funds, including Devon. The Brunel/LGIM passive allocation will include all the companies in the relevant indices, both UK and across the developed world, hence there are many more meetings voted at than for the active portfolios.
- b) The votes against management recommendations will reflect matters where there is concern that the company is not addressing the relevant issue and managing it effectively. The Devon Fund would expect that the votes against management should be primarily on the priority areas set out in the Fund's Investment Strategy Statement. An analysis of the issues where votes have been cast against management recommendations is set out below.

Votes against management recommendation by issue Quarter to 30 June 2023

Brunel Active Portfolios

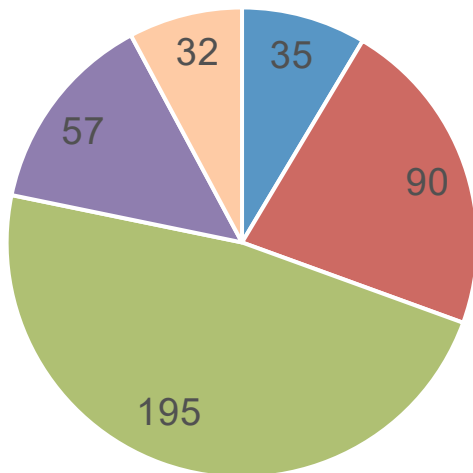


Brunel Passive (LGIM) Portfolios



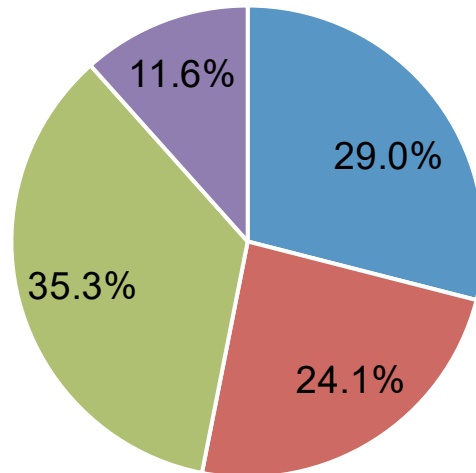
- c) The Fund is also a member of the Local Authority Pension Fund Forum (LAPFF), who undertake engagement activity on behalf of their member funds. Where significant issues arise on the agendas of company meetings, LAPFF will issue voting alerts, with recommendations on how to vote. The Devon Fund will then pass on these recommendations to Brunel and ask them to report back on how they have voted.
- d) LAPFF issued a record number of voting alerts during the quarter to June. The second quarter of the calendar year is the period during which most companies hold their annual shareholder meetings. A summary of the voting alerts is attached at Appendix 2 to this report. This includes details of how Brunel and LGIM voted on the issues raised and their rationale for the way they cast their votes.
- e) Brunel and/or LGIM may take a different view to LAPFF on some of the issues raised, particularly where they think a company is moving in the right direction which should be encouraged, but where LAPFF still feel the company is falling short.
- f) Where Brunel and or LGIM have voted for resolutions urging companies to do more to transition their businesses and manage climate risk, the percentage of shareholders supporting these resolutions is growing, which is encouraging, but in nearly all cases the resolutions are still only supported by a minority of shareholders. While Brunel undertake the voting activity themselves via their engagement partner, many investors delegate the voting activity to their fund managers. Brunel have now begun to work with their underlying fund managers to encourage them to give greater emphasis to responsible investment issues in the way that they vote all their clients' shares, in order to exert more influence on companies to change their practices.
- g) Brunel conduct significant engagement with investee companies on behalf of the Devon Fund and other clients. A breakdown of the engagement undertaken over the last quarter is summarised in the following charts:

Number of Companies Engaged With, By Region



- United Kingdom
- Europe
- North America
- Asia/Pacific
- Emerging Markets

Breakdown of Issues Engaged On



- Environmental
- Social and Ethical
- Governance
- Strategy Risk and Communication

- h) More details on Brunel's engagement can be found in their quarterly report.
- i) The LAPFF quarterly engagement report for the quarter to 30 June is attached at Appendix 3 to this report. The report headlines on the number of voting alerts issued during the busy AGM season. It also outlines current engagement with oil companies and banks around climate change, and dialogue with companies in relation to the human rights issues around their supply chain management, with particular reference to Myanmar and the Uyghur population in China.

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

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Appendix 1

Devon County Council Pension Fund Budget Outturn 2022/23 and Budget 2023/24

	Actual 2022/23 £'000	Original Forecast 2023/24 £'000	Actual to June 2023/24 £'000	Revised Forecast £'000	Variance 2023/24 £'000
Contributions					
Employers	(141,245)	(165,000)	(41,497)	(165,000)	0
Members	(49,905)	(52,000)	(12,629)	(52,000)	0
Transfers in from other pension funds:	(13,253)	(14,000)	(4,290)	(14,000)	0
	(204,403)	(231,000)	(58,416)	(231,000)	0
Benefits					
Pensions	176,799	200,000	48,203	200,000	0
Commutation and lump sum retirement benefits	27,720	30,000	9,125	30,000	0
Lump sum death benefits	3,826	4,000	1,094	4,000	0
Payments to and on account of leavers	981	1,000	173	1,000	0
Transfers Out	9,140	10,000	1,616	10,000	0
	218,466	245,000	60,211	245,000	0
Net Withdrawals from dealings with fund members	14,063	14,000	1,795	14,000	0
Investment Income	(39,113)	(40,000)	(11,971)	(40,000)	0
Administrative costs					
Peninsula Pensions	2,602	2,864	1,921	2,864	0
	2,602	2,864	1,921	2,864	0
Investment management expenses					
External investment management fees - invoiced	1,511	1,650	853	1,650	0
External investment management fees - not invoiced	21,602	24,000	5,325	24,000	0
Custody fees	30	35	(4)	35	0
Transaction costs	1,980	1,800	1,467	1,800	0
Class Action Proceeds	0	0	0	0	0
Other investment management expenses	27	30	0	30	0
	25,150	27,515	7,641	27,515	0
Oversight and governance costs					
Investment & Pension Fund Committee Support	92	95	36	95	0
Pension Board	41	45	13	45	0
Investment Oversight and Accounting	388	420	120	420	0
Brunel Pension Partnership	20	10	0	10	0
Legal Support	37	30	0	30	0
Actuarial Services	107	40	17	40	0
Investment Performance Measurement	72	75	0	75	0
Subscriptions	58	61	16	61	0
Internal Audit fees	21	24	0	24	0
External Audit fees	47	50	6	50	0
	883	850	208	850	0
Total Management Expenses	28,635	31,229	9,770	31,229	0

LAPFF Voting Alerts - Q2

Rio Tinto PLC - 6 April 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
1 Accept Financial Statements and Statutory Reports	Oppose	For	N/A	Approved (99.7% votes for)
2 Approve remuneration report for UK law purposes	Oppose	For	N/A	Approved (96.0% votes for)
3 Approve remuneration report for Australian law purposes	Oppose	For	N/A	Approved (96.0% votes for)
6: Elect Dominic Barton as director	Oppose	For	N/A	Approved (97.5% votes for)
7 Re-elect Megan Clark as director	Oppose	For	N/A	Approved (94.0% votes for)
10 Re-elect Sam Laidlaw as director	Oppose	For	N/A	Approved (97.0% votes for)
Rationale for vote: Following recent constructive engagement with Rio Tinto on issues related to remuneration and with the chair of the Sustainability Committee, LGIM supported approval of the financial reports and re-election of directors.				

CentrePoint Energy - 21 April 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
5 Shareholder proposal relating to disclosure of Scope 3 emissions and setting Scope 3 emissions targets	For	For	N/A	Not Approved (81.7% against)
Rationale for vote: LGIM supported the shareholder proposal as more information is required about how the company will meet Paris Agreement requirements				

Bank of America - 25 April 2023		Active Portfolios held in: Global high alpha equities		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
8 Requesting greenhouse gas reduction targets	For	For	For	Not approved (88.5% against)
9 Requesting report on transition planning	For	For	For	Not approved (71.5% against)
Rationale for vote: Brunel supported the shareholder proposal as it promotes better management of ESG opportunities and risks. LGIM voted in favour as they expect 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.				

PACCAR INC - 25 April 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
6 Proposal regarding a report on climate-related policy engagement	For	For	N/A	Not approved (52.6% against)
Rationale for vote: A vote in favour was applied, as LGIM encourages all companies to report their climate lobbying activity in line with the Global standard on responsible corporate climate lobbying.				

Wells Fargo - 25 April 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
7 Climate change lobbying report	For	For	N/A	Not approved (67.7% against)
8 Climate change transition report	For	For	N/A	Not approved (68.9% against)
Rationale for vote: A vote in favour of the shareholder climate change resolutions was applied, as LGIM encourages all companies to report their climate lobbying activity in line with the Global standard on responsible corporate climate lobbying.				

Anglo American - 26 April 2023		Active Portfolios held in: Emerging markets equities		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
1 Receive the Annual Report and accounts	Oppose	For	Oppose	Approved (99.0% votes for)
15 Approve Remuneration Policy	Oppose	For	For	Approved (95.9% votes for)
16 Approve remuneration implementation report	Oppose	For	For	Approved (94.6% votes for)
Rationale for vote: Brunel voted against the annual report and accounts as insufficient consideration was given to climate change in the financial accounts and remuneration policies				

Marathon Petroleum Corp - 26 April 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
9 Seeking a report on Just Transition	For	For	N/A	Not approved (83.6% votes against)
Rationale for vote: A vote FOR was applied by LGIM. While they acknowledge the progress made by the company by publishing its first Just Transition report in March 2022, they believe investors would benefit from further quantifiable disclosure on goals and time-bound commitments associated with the company's approach to a just transition.				

Borgwarner Inc - 26 April 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
7 Board of directors to publish a Just Transition Report	For	For	N/A	Not approved (68.0% votes against)
Rationale for vote: A vote in favour of this resolution was warranted because LGIM believe Just Transition considerations are essential aspects of climate strategy and should be reviewed in greater detail by the company.				

Cenovus Energy - 26 April 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
4 Lobbying and its alignment with our net zero ambition	For	For	N/A	Approved (99.5% votes for)
Rationale for vote: A vote in favour was applied as LGIM expects companies to provide sufficient disclosure on contributions in respect of lobbying.				

The Goldman Sachs Group Inc - 26 April 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
9 Policy to phase out fossil fuel-related lending and underwriting activities	For	For	N/A	Not approved (93.0% votes against)
10 Disclosure of 2030 absolute greenhouse gas reduction goals	For	For	N/A	Not approved (88.0% votes against)
Rationale for vote: A vote in support of these proposals was applied as LGIM expects company boards to devise a strategy and 1.5C-aligned pathway in line with the company's stated commitments and recent global energy scenarios. This includes but is not limited to, devising sector exclusion policies for thermal coal and a time-bound policy to phase-out investment in new exploration and development of oil and gas supply. 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.				

Lockheed Martin Corp- 27 April 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
7 Report on the intention to reduce full value chain GHG emission	For	For	N/A	Not approved (64.6% votes against)
Rationale for vote: A vote in favour was applied as LGIM supports companies reporting all material scopes of GHG emissions.				

BP - 27 April 2023				
Active Portfolios held in: None				
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
1 Receive the Annual Report	Oppose	For	N/A	Approved (98.7% votes for)
3 Approve remuneration report	Oppose	For	N/A	Approved (94.2% votes for)
7 To re-elect Paula Rosput Reynolds as a director	Oppose	For	N/A	Approved (97.6% votes for)
25 Follow This shareholder resolution on climate change targets	For	Oppose	N/A	Not approved (83.3% votes against)
Rationale for vote: LGIM expects companies to introduce credible energy transition plans, covering their direct and indirect emissions and consistent with the Paris objectives. A successful transition to a net zero emissions economy requires all sectors to align with those objectives and hence we place significant importance in our engagement and voting policies on Scope 3 emissions being integrated into a company's energy transition plan and decarbonisation efforts. Although we support the shareholder proposal, a vote AGAINST was applied as in their view, the wording of the proposal imposes inflexibility on the company that is challenging to justify at the present time, and could lead to unintended consequences as we transition to a net-zero emissions economy. For example, the non-linear nature of the energy transition and the importance of achieving real-world progress to cut emissions.				

Lockheed Martin Corp- 27 April 2023				
Active Portfolios held in: None				
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
7 Report on the intention to reduce full value chain GHG emission	For	For	N/A	Not approved (64.6% votes against)
Rationale for vote: A vote in favour was applied as LGIM supports companies reporting all material scopes of GHG emissions.				

Vale SA - 28 April 2023				
Active Portfolios held in: Emerging markets equities				
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
1 Approval of the Financial Statements	Oppose	For	For	Approved (99.8% votes for)
5 Elect Manuel Lino Silva da Sousa	Oppose	For	For	Approved (93.1% votes for)
Rationale for vote: LAPFF's recommendations related to ongoing concerns re the Brumadinho tailings dam collapse in 2019. LGIM chose not to vote against approval of the financial statements or the re-election of Manuel Lino Silva da Sousa, who was only appointed in 2021. However they did vote against the re-election of other directors due to governance concerns.				

Raytheon Technologies Corp - 2 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
8 Greenhouse gas reduction plan	For	For	N/A	Not approved (62.2% votes against)
Rationale for vote: A vote in support of this proposal was warranted as LGIM expects company boards to devise a strategy and 1.5C-aligned pathway in line with the company's stated commitments and recent global energy scenarios. 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. LGIM will continue to monitor the Company's commitments and disclosures in this regard.				

Public Storage - 2 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
5 Greenhouse gas reduction targets	For	For	N/A	Not approved (65.3% votes against)
Rationale for vote: A vote in favour was applied as LGIM expects companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short-, medium- and long-term GHG emissions reduction targets consistent with the 1.5°C goal.				

Imperial Oil - 2 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
1 Adopt an absolute greenhouse gas reduction target	For	For	N/A	Not approved (96.3% votes against)
Rationale for vote: A vote FOR was applied as LGIM expects companies to introduce credible energy transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5 C.				

Enbridge - 3 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
1 Lobbying and political donations in the US creating business risk	For	For	N/A	Not approved (81.2% votes against)
2 Annual disclosure of all of the Company's scope 3 emissions	For	For	N/A	Not approved (74.5% votes against)
Rationale for vote: Climate Change Lobbying - A vote in favour was applied, LGIM encourages all companies to report their climate lobbying activity in line with the Global standard on responsible corporate climate lobbying. Emissions disclosure: A vote FOR this proposal was applied as LGIM expects companies to introduce credible energy 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 emission.				

Coterra Energy - 4 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
7 Report on corporate climate lobbying	For	For	N/A	Not approved (62.2% votes against)
Rationale for vote: A vote in favour was applied, as LGIM encourages all companies to report their climate lobbying activity in line with the Global standard on responsible corporate climate lobbying.				

HSBC - 5 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
1 Receive the Annual Report	Oppose	For	N/A	Approved (99.7% votes for)
17 Resolution on strategy review	Oppose	Oppose	N/A	Not approved (96.8% votes against)
Rationale for vote: LGIM chose not to vote against the Annual Report, but a vote AGAINST the strategy review proposal was applied as the dividend policy proposed by the dissident of a minimum dividend level in absolute USD terms appears overly restrictive and lacks detailed rationale.				

Berkshire Hathaway - 6 May 2023		Active Portfolios held in: Global high alpha equities		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
4 Report on climate-related Risks	For	For	For	Not approved (73.2% votes against)
5 Climate change risks audit	For	For	For	Not approved (82.0% votes against)
6 Climate change targets	For	For	For	Not approved (77.2% votes against)
Rationale for vote: Brunel voted for the shareholder resolution, against management recommendation as the shareholder proposal promotes better management of ESG opportunities and risks. LGIM also voted in favour as they expect the company to be undertaking appropriate analysis and reporting on climate change matters, as they consider this issue to be a material risk to companies.				

Valero Energy - 9 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommend- ation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
5 Set different GHG emissions reductions targets (Scopes 1, 2 and 3)	For	For	N/A	Not approved (66.9% votes against)
Rationale for vote: A vote FOR was applied as LGIM expects companies to introduce credible transition plans, consistent with the Paris objectives 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 respective short-, medium- and long-term GHG emissions reduction targets consistent with the 1.5 C goal. Additional information on the company's efforts to reduce its carbon footprint and align its operations with Paris Agreement goals would allow shareholders to better understand how the company is managing its transition to a low carbon economy and climate change-related risks.				

Ameren Corporation - 11 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommend- ation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
5 Adoption of Scopes 1 and 2 emissions target	For	For	N/A	Not approved (86.2% votes against)
Rationale for vote: LGIM commend the company for the steps it has taken to set Scope 1 and 2 reduction targets and moving towards their climate goals. However, A vote for the shareholder resolution was applied as LGIM expects companies to introduce transition plans, consistent with the 1.5°C goal based on the IEA's Net Zero 2050 Roadmap. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short-, medium- and long-term GHG emissions reduction targets.				

JP Morgan Chase & Co - 16 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommend- ation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
9 Report on climate transition planning	For	For	N/A	Not approved (63.6% votes against)
12 Absolute GHG reduction goals	For	Oppose	N/A	Not approved (86.0% votes against)
Rationale for vote: A vote in favour of these resolutions was applied as LGIM expects the company to be undertaking appropriate analysis and reporting on climate change matters, as they consider this issue to be a material risk to companies. Such reporting will help the company to demonstrate to investors and other stakeholders how it is implementing its climate transition strategies and emissions reduction targets. 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.				

Chubb Ltd - 17 May 2023		Active Portfolios held in: Sustainable equities		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
14 Greenhouse gas emissions targets	For	For	For	Not approved (71.1% votes against)
Rationale for vote: Votes in favour were applied by LGIM and Brunel to improve transparency on the companies activities financing activities that will hamper climate change mitigation.				

Quest Diagnostics - 17 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
6 Greenhouse gas reduction and transition plan	For	For	N/A	Not approved (52.0% votes against)
Rationale for vote: A vote in favour was applied as LGIM expects companies to be taking sufficient action on the key issue of climate change.				

Welltower Inc - 23 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
1a Director elections: Kenneth J. Bacon	Oppose	Oppose	N/A	Approved (93.1% votes for)
Rationale for vote: A vote against was applied because LGIM have concerns regarding the time commitment required to manage all board positions and how this may impact their ability to remain informed and effectively contribute to board discussions.				

Target Resolutions	LAPFF Recommend- ation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
2 Approval of the directors remuneration policy	Oppose	For	Oppose	Approved (94.6% votes for)
3 Approve of directors remuneration report	Oppose	For	Oppose	Approved (94.7% votes for)
9 Reappoint Dick Boer as a director	Oppose	For	For	Approved (99.6% votes for)
10 Reappoint Neil Carson as a director	Oppose	For	For	Approved (99.4% votes for)
11 Reappoint Ann Godbehere as a director	Oppose	For	For	Approved (98.7% votes for)
12 Reappoint Jane Holl Lute as a director	Oppose	For	For	Approved (99.8% votes for)
13 Reappoint Catherine Hughes	Oppose	For	For	Approved (98.3% votes for)
14 Reappoint Sir Andrew Mackenzie as a director	For	For	Oppose	Approved (93.1% votes for)
15 Reappoint Abraham (Bram) Schot as a director	Oppose	For	For	Approved (99.8% votes for)
25 Approve Shell's Energy Transition Plan	Oppose	Oppose	Oppose	Approved (80.0% votes for)
26 Approve shareholder resolution 'Follow This'	For	Oppose	For	Not approved (79.8% votes against)

Rationale for vote:

- * Remuneration - Brunel voted against the directors' remuneration and policy as it was misaligned with their remuneration principles.
- * Director elections - Brunel chose to vote against the re-election of Sir Andrew Mackenzie, rather than the whole board, due to concerns relating to climate change strategy change.
- * Energy Transition and Climate Change - Brunel voted against the transition plan and in favour of the shareholder resolution due to inadequate management of climate-related risks. LGIM also applied a vote against the transition plan, though not without reservations. LGIM acknowledge the substantial progress made by the company in meeting its 2021 climate commitments and welcome the company's leadership in pursuing low carbon products, but remain concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations; both of these are key areas to demonstrate alignment with the 1.5C trajectory. However, LGIM applied a vote AGAINST the shareholder resolution as in their view, the wording of the proposal imposes inflexibility on the company that is challenging to justify at the present time, and could lead to unintended consequences as we transition to a net-zero emissions economy. For example, the non-linear nature of the energy transition and the importance of achieving real-world progress to cut emissions. Their approach to such resolutions will remain dynamic given the need for companies to demonstrate clearly how they will be net zero compliant in a transition.

Amazon - 24 May 2023

Active Portfolios held in: Global high alpha equities

Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
6 Report on Retirement Plan Options (alignment with decarbonisation)	For	Oppose	For	Not approved (92.8% votes against)
7 Report on customer due diligence (use of technologies and services)	For	For	For	Not approved (65.8% votes against)
8 Additional reporting on content and product removal/restrictions	For	For	For	Not approved (89.5% votes against)
9 Additional reporting on content removal requests	Oppose	For	Oppose	Not approved (98.4% votes against)
10 Additional reporting on stakeholder impacts	For	For	For	Not approved (72.1% votes against)
11 Alternative tax reporting (tax transparency)	For	For	For	Not approved (82.3% votes against)
12 Additional reporting on climate lobbying	For	For	For	Not approved (76.1% votes against)
13 Additional reporting on gender/racial pay	For	For	For	Not approved (70.8% votes against)
15 Amendment to bylaws to require shareholder for certain future amendments (universal proxy)	For	Oppose	Oppose	Not approved (88.5% votes against)
16 Additional reporting on freedom of association	For	For	For	Not approved (65.1% votes against)
17 New policy regarding executive compensation process	For	For	Oppose	Not approved (93.5% votes against)
18 Additional reporting on animal welfare standards	For	Oppose	For	Not approved (94.4% votes against)
19 Additional board committee (public policy)	For	For	Oppose	Not approved (93.7% votes against)
20 Alternative director candidate policy	For	For	Oppose	Not approved (81.6% votes against)
21 Report on warehouse working conditions	For	For	For	Not approved (64.6% votes against)
22 Report on packaging materials	For	For	For	Not approved (67.7% votes against)

Rationale for vote:

The AGM included a large number of shareholder resolutions calling for improved reporting on a wide range of issues. Brunel and LGIM both supported the majority of these resolutions as improving transparency and risk management and being in the interests of shareholders. LGIM chose not to support the resolution on retirement plan options, as the company's retirement plan is managed by a third-party fiduciary and employees are offered an option for investing more responsibly. Both Brunel and LGIM voted against resolution 15 on bylaw amendments as being overly restrictive of the board's ability to amend the bylaws, and not necessarily in the interest of shareholders. LGIM voted AGAINST the proposal on animal welfare as the company has already disclosed its animal welfare standards and practices, and the absence of verified controversy with the company's existing suppliers indicates that the company's audit procedures are adequately managing risks related to animal cruelty in its supply chain.

Southern Company - 24 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
7 Set Scope 3 GHG targets	For	For	N/A	Not approved (80.2% votes against)
Rationale for vote: A vote in support of this proposal was warranted as LGIM expects increasing transparency of strategy aligned to 1.5C pathway in line with the company's stated commitments. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short-, medium- and long-term GHG emissions reduction targets. We will continue to monitor the Company's commitments and disclosures in this regard.				

The Travelers - 24 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
6 Shareholder proposal relating to GHG emissions	For	For	N/A	Not approved (85.3% votes against)
Rationale for vote: A vote in favour was applied to improve transparency on the companies activities financing activities that will hamper climate change mitigation.				

The Mosaic Company - 25 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
7 To report on the Company's plans to reduce greenhouse gas emissions	For	For	N/A	Not approved (70.2% votes against)
Rationale for vote: A vote in favour was applied as LGIM expects companies to be taking sufficient action on the key issue of climate change.				

Totalenergies SE - 26 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
A Targets for indirect Scope 3 emissions	For	Oppose	N/A	Not approved (69.6% votes against)
Rationale for vote: Although LGIM supported the principles of this proposal, a vote AGAINST was applied as in their view, the wording of the proposal imposes inflexibility on the company that is challenging to justify at the present time, and could lead to unintended consequences as we transition to a net-zero emissions economy. For example, the non-linear nature of the energy transition and the importance of achieving real-world progress to cut emissions. LGIM's approach to such resolutions will remain dynamic given the need for companies to demonstrate clearly how they will be net zero compliant in a transition.				

META Platforms - 31 May 2023

Active Portfolios held in: None

Target Resolutions	LAPFF Recommend- ation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
3 Government takedown requests	Oppose	Oppose	N/A	Not approved (99.6% votes against)
4 Dual class capital structure	For	For	N/A	Not approved (72.0% votes against)
5 Human rights impact assessment of targeted advertising	For	For	N/A	Not approved (83.0% votes against)
6 Report on lobbying disclosures	For	For	N/A	Not approved (85.4% votes against)
7 Report on allegations of political entanglement and content management biases in India	For	Oppose	N/A	Not approved (95.4% votes against)
8 Report on lobbying alignment with climate goals	For	For	N/A	Not approved (90.2% votes against)
9 Report on reproductive rights and data privacy	For	For	N/A	Not approved (90.4% votes against)
10 Report on enforcement of community standards and user content	For	For	N/A	Not approved (92.8% votes against)
11 Report on child safety impacts and harm reduction to children	For	For	N/A	Not approved (83.7% votes against)
12 Report on Pay Calibration to Externalized Costs	For	For	N/A	Not approved (92.8% votes against)
13 Performance review of Audit & Risk Oversight Committee	For	For	N/A	Not approved (93.3% votes against)

Rationale for vote:

LGIM supported the majority of shareholder resolutions:

* Shareholder rights: A vote in favour was applied as LGIM expects companies to apply a one-share-one-vote standard.

* Human rights: A vote in favour was applied as LGIM supports such risk assessments as we consider human rights issues to be a material risk to companies.

* Political lobbying: A vote in favour was applied as LGIM expects companies to provide sufficient disclosure on such contributions.

* Climate Change Lobbying - a vote in favour was applied, LGIM encourages all companies to report their climate lobbying activity in line with the Global standard on responsible corporate climate lobbying.

* Child Safety - A vote FOR this proposal was warranted, as additional disclosure on how the company measures and tracks metrics related to child safety on the company's platforms would give shareholders more information on how well the company is managing related risks.

LGIM voted against the resolution related to politics in India as the company has taken actions to improve transparency about its operations in India.

Glencore PLC - 26 May 2023		Active Portfolios held in: Global high alpha equities		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
1 Approve the Annual Report	Oppose	For	For	Approved (99.3% votes for)
13 2022 Climate report	Oppose	Oppose	Oppose	Approved (69.8% votes for)
19 Resolution on climate action transition plan	For	For	For	Not approved (70.8% votes against)
Rationale for vote: Brunel and LGIM chose not to vote against the Annual Report, but to vote against the Climate Report and in favour of a shareholder resolution calling for a climate action transition plan. Brunel considered that there was Inadequate management of climate-related risks from exposure to coal, while LGIM applied a vote against is applied as they expect companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. While LGIM noted the progress the company has made in terms of disclosure, they remain concerned over the company's activities around thermal coal, as it remains unclear how the planned thermal coal production aligns with global demand for thermal coal under a 1.5°C scenario				

Exxon Mobil Corp - 31 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
9 Establish a Scope 3 target and reduce hydrocarbon sales	For	Oppose	N/A	Not approved (89.5% votes against)
14 Litigation disclosure beyond legal and accounting requirements	For	For	N/A	Not approved (90.9% votes against)
16 Energy transition social impact report	For	For	N/A	Not approved (83.4% votes against)
Rationale for vote: LGIM expects companies to introduce credible energy transition plans, covering their direct and indirect emissions and consistent with the Paris objectives. A successful transition to a net zero emissions economy requires all sectors to align with those objectives and hence they place significant importance in our engagement and voting policies on Scope 3 emissions being integrated into a company's energy transition plan and decarbonisation efforts. Although LGIM supported the principles of this proposal, a vote AGAINST was applied as in their view, the wording of the proposal imposes inflexibility on the company that is challenging to justify at the present time, and could lead to unintended consequences as we transition to a net-zero emissions economy. For example, the non-linear nature of the energy transition and the importance of achieving real-world progress to cut emissions. LGIM supported the shareholder resolutions on litigation disclosure and energy transition social impact reporting, as they believe investors would benefit from further disclosure around litigation risks and the goals and time-bound commitments associated with the company's approach to a just transition.				

Chevron Corporation - 31 May 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommend- ation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
5 Proposal to rescind the 2021 “reduce scope 3 emissions”	Oppose	Oppose	N/A	Not approved (98.7% votes against)
6 Proposal to set a medium-term Scope 3 GHG emissions reduction target	For	Oppose	N/A	Not approved (90.4% votes against)
9 Report on worker and community impact from facility closures and energy transitions	For	For	N/A	Not approved (81.4% votes against)
Rationale for vote: LGIM voted against a shareholder resolution to reduce the company's commitment to reduce scope 3 emissions. However, they also voted against the proposal to set a medium term target for scope 3 emissions. Although they supported the principles of this proposal, a vote AGAINST was applied as in their view, the wording of the proposal imposes inflexibility on the company that is challenging to justify at the present time, and could lead to unintended consequences as we transition to a net-zero emissions economy. They supported the resolution on worker and community impact of the energy transition as they believe investors would benefit from further quantifiable disclosure on goals and time-bound commitments associated with the company's approach to a just transition				

Comcast Corp - 2 June 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommend- ation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
9 Set different greenhouse gas emissions reduction targets	For	For	N/A	Not approved (90.2% votes against)
10 Report on political contributions and company values alignment	For	For	N/A	Not approved (81.0% votes against)
Rationale for vote: LGIM voted in favour of the shareholder resolution on climate change as setting GHG emissions reduction targets in line with the Paris agreement and validated by the Science Based Targets initiative is best practice. They also supported improved transparency in this important area of political lobbying expenditure.				

Dollarama - 7 June 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommend- ation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
6 Adoption of net zero targets	For	For	N/A	Not approved (74.1% votes against)
Rationale for vote: A vote in favour was applied as LGIM expects companies to be taking sufficient action on the key issue of climate change.				

Alphabet Inc - 2 June 2023				
Active Portfolios held in: Global high alpha equities				
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
6 Lobbying report	For	For	For	Not approved (82.1% votes against)
7 Congruency report	Abstain	Oppose	Oppose	Not approved (99.6% votes against)
8 Climate lobbying report	For	For	For	Not approved (85.8% votes against)
9 Report on reproductive rights and data privacy	For	For	Oppose	Not approved (93.0% votes against)
10 Human rights assessment of data centre citing	For	For	For	Not approved (86.9% votes against)
11 Human rights assessment of targeted ad policies and practices	For	For	For	Not approved (82.0% votes against)
12 Algorithm disclosures	For	For	For	Not approved (83.0% votes against)
13 Report on alignment of YouTube policies with legislation	For	For	For	Not approved (82.0% votes against)
14 Content governance report	Oppose	Oppose	Oppose	Not approved (99.4% votes against)
15 Performance review of Audit and Compliance Committee	For	For	For	Not approved (91.6% votes against)
16 By-laws amendment (universal proxy)	Oppose	Oppose	Oppose	Not approved (95.0% votes against)
17 Executives to retain significant stock	For	For	Oppose	Not approved (90.3% votes against)
18 Equal shareholder voting (eliminate dual class stock)	For	For	For	Not approved (69.2% votes against)
Rationale for vote: Brunel and LGIM voted in favour of the majority of shareholder resolutions, particularly around providing additional transparency on lobbying and human rights issues. Resolution 14 on content governance was by contrast seeking to limit the company's approach to these types of issue as a way of protecting freedom of speech and was opposed. On reproductive rights, LGIM considered that additional reporting on risks, costs and potential mitigating actions on enforcement of changes to state law regarding abortion access would aid the board and investors in fully considering the risks to the company, and ultimately its shareholders. Brunel took the view that they preferred to engage through their engagement partner(Hermes EOS)'s ongoing digital rights work and the Global Network Initiative.				

Costar Group Inc - 8 June 2023				
Active Portfolios held in: Sustainable equities				
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
5 Manage Climate Risk Through Comprehensive Science-Based Targets	For	For	For	Not approved (72.5% votes against)
Rationale for vote: A vote in favour was applied as LGIM expects companies to be taking sufficient action on the key issue of climate change.				

Caterpillar Inc - 14 June 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
6 Report on corporate climate lobbying in line with Paris Agreement	For	For	N/A	Not approved (71.6% votes against)
Rationale for vote: A vote in favour was applied, as LGIM encourages all companies to report their climate lobbying activity in line with the Global standard on responsible corporate climate lobbying.				

Toyota Motor Corp - 14 June 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
4 Partial Amendments to the Articles of Incorporation	For	For	N/A	Not approved (84.9% votes against)
Rationale for vote: A vote FOR this proposal was warranted as LGIM believes that companies should advocate for public policies that support global climate ambitions and not stall progress on a Paris-aligned regulatory environment. They acknowledge the progress that Toyota Motor Corp (TMC) have made in relation to their climate lobbying disclosure in recent years and welcome planned improvements to expand the number of trade associations in scope of assessment and intentions to seek third party alignment reviews. However, they believe that additional transparency is necessary on the process taken by TMC to assess how its direct and indirect lobbying activity align with its own climate ambitions, and what actions are taken when misalignment is identified. Further to this, they expect TMC to improve its governance structure to oversee this climate lobbying review.				

Tokyo Electric Power Co Inc - 28 June 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
2 Partial Amendment to the Articles of Incorporation. Add Chapter X. "Transition Plan")	For	For	N/A	Not approved (Vote %s not available)
Rationale for vote: A vote in favour was applied as LGIM expects companies to be taking sufficient action on the key issue of climate change.				

Electric Power Development Co Ltd - 28 June 2023		Active Portfolios held in: None		
Target Resolutions	LAPFF Recommendation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
3 Partial amendment to the Articles of Incorporation to Disclose Business Plan through 2050 Aligned with Goals of Paris Agreement	For	For	N/A	Not approved (78.7% votes against)
Rationale for vote: A vote in favour was applied as LGIM expects companies to be taking sufficient action on the key issue of climate change.				

Target Resolutions	LAPFF Recommend- ation	LGIM (Passive) Vote	Brunel (Active) Vote	Vote Outcome
3 Partial Amendments to the Articles of Incorporation (Issuing and disclosing a transition plan to align lending and investment portfolios with the Paris Agreement)	For	For	For	Not approved (Vote %s not available)

Rationale:

A vote in support of this proposal was warranted as LGIM expects company boards to devise a strategy and 1.5C-aligned pathway in line with the Company's commitments and recent global energy scenarios, including the setting of short-, medium- and long-term emissions reduction targets, taking account of the full range of financing activity. LGIM engaged with the Company and while they positively note improved disclosures and commitments under the Net Zero Banking Alliance, they think that these goals and policies could be further strengthened - especially around the bank's coal policy and the scope of emission reduction targets - and they believe the shareholder proposal provides a good directional push.



Quarterly
Engagement
Report

April-June
2023

Local
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Forum

AGM Season, LAPFF Brazil Visit Report, Climate Voting Alerts, BP, Shell

UPDATES

AGM Season

LAPFF is always busy during AGM season, and this year was no different. In addition to attending six AGMs (including the US-based Home Depot's meeting) this quarter, LAPFF drafted a record number of voting alerts. These alerts showcased LAPFF's climate voting alert initiative, for which voting alerts were issued on over 50 climate-related shareholder resolutions.

LAPFF also issued 55 voting recommendations for environmental, social and governance (ESG) resolutions at mining companies and technology companies. These recommendations were prompted by another round of shareholder resolutions at US technology companies covering a range of ESG issues. Notably, Amazon faced 16 resolutions this year, with Alphabet and Meta Platforms each facing 10 and 11 respectively. A couple of LAPFF members even co-filed resolutions on freedom of association and collective bargaining.

LAPFF issued a voting alert for Starbucks this year in support of a shareholder resolution calling for the company to uphold better practices on freedom of association and collective bargaining. This resolution was supported by a whopping 52 percent of the shareholder vote. There were a

number of shareholder resolutions on this topic at US AGMs this year, and LAPFF anticipates more during the 2024 season.

Oil and gas companies and banks were a further area of focus for LAPFF this AGM season. LAPFF supported the Follow This resolutions at BP and Shell. The resolution received nearly 15 percent support at BP and over 20 percent support at Shell. LAPFF also raised concerns about HSBC's approach to human rights and engaged extensively with Barclays.

Drax's rhetoric and practices on climate have been a particular concern for LAPFF over the last few years. Consequently, LAPFF Vice Chair, Cllr Rob Chapman, attended the Drax AGM on the back of a LAPFF voting alert that raised significant concerns about the company's climate practices and reporting in this area.

It is interesting to note that while many ESG resolutions, and in particular socially oriented resolutions, gained traction this year, the so-called 'anti-ESG' resolutions aimed at questioning the value of ESG issues in relation to financial performance, appeared to lose ground. LAPFF will continue to issue voting alerts throughout the year as appropriate.

LAPFF Report on Visit to Brazil

As reported previously, LAPFF Chair, Cllr Doug McMurdo, visited communities devastated by the Mariana tailings dam collapse of 5 November 2015 and the Brumadinho tailings dam collapse of 25 January 2019 during the summer of 2022. The Mariana dam is owned by Samarco, which is a joint venture between BHP and Vale. The Brumadinho dam is wholly owned by Vale. LAPFF also visited Conceição do Mato Dentro to see Anglo American's Minas Rio tailings dam, which has not collapsed but about which surrounding community members have concerns.

The report of LAPFF's findings from this visit has now been made public. A related video is also available.

The report flags a host of human rights and environmental concerns that have yet to be addressed in the wake of the Mariana and Brumadinho disasters. Apart from issues related to housing, health, and livelihoods, the impact on cultural rights was a prominent problem for affected community members to whom LAPFF spoke throughout the visit. Among the range of environmental impacts noted in conversations with affected community representatives, severe concerns about water quality and availability arose consistently. There were underlying concerns about the companies' failure to engage meaningfully and effectively with all communities affected by all three of the companies' mining operations.

Cllr McMurdo also met with company



"I knew the visit would be difficult, but I wasn't prepared for the scale of devastation I saw nearly seven years on from the Mariana collapse and three and a half years on from the Brumadinho collapse. Seeing it with my own eyes was a wake up call – investors must do more! It was truly heartbreaking. My main concerns were the issues around water quality and availability and the apparent lack of communication between the companies and the communities. I can't see how there can be meaningful progress until this communication gap is rectified, but it is a tall order. I am also now more convinced than ever that this is an issue of financial materiality."

LAPFF Chair, Cllr Doug McMurdo

VOTING ALERTS

representatives and Brazilian investors during his visit. Vale Chair, José Penido, spent two days showing Cllr McMurdo two resettlement areas in Mariana and the site of the dam collapse at Brumadinho. Cllr McMurdo met with staff at Samarco to understand better how the collapse had happened and measures the company is taking to rectify the problems. JGP Asset Management then organised a meeting of LAPFF, Brazilian investors, and Vale to discuss a sustainable way to rectify the outstanding reparations work. BHP declined to make a representative available to meet with LAPFF in Brazil.

It was clear to LAPFF from these meetings that the companies need to do a better job of communicating to both communities and investors the steps they are taking to address human rights and environmental concerns.

CLIMATE VOTING ALERTS

Objective: Due to the scale of the investment risks and as part of a continued focus on mitigating climate risks, LAPFF has been issuing a series of dedicated climate change voting alerts. These alerts recommend voting positions on climate-related shareholder resolutions with the aim of ensuring companies properly address the climate risks they face. The alerts covered companies in different sectors and centred on climate topics that LAPFF engages on, including transition plans, adequate targets, lobbying, and a just transition.

Achieved: Over the quarter, LAPFF issued climate alerts covering over 50 resolutions with half receiving the backing of 20 percent or more shareholder votes. The scale of support highlights the support for climate action among responsible investors and delivered a strong message to companies on the need for credible climate action policies and plans.

Resolutions focused on climate transition plans did well. Almost half (48 percent) of shareholder votes backed a resolution at Quest Diagnostics and over a third at Raytheon Technologies (37 percent), and JPMorgan Chase (35 percent). Similar resolutions received significant support at Lockheed Martin (33 percent), Wells Fargo (31 percent), Mosaic Company (30 percent) and Bank of America (28 percent).

Several resolutions focused on emission targets, including targets that cover all emission scopes, absolute emission reductions targets and Paris aligned targets. There were significant votes on the issue at Public Storage (35 percent), Valero Energy (32 percent), Chubb Limited (29 percent), TotalEnergies (29 percent) and Berkshire Hathaway (23 percent).

Shareholder requests for reports into alignment of direct and indirect lobbying activity with climate goals gained significant backing by shareholders. Cenovus board supported the shareholder proposal which received backing of 99 percent of shareholder votes. Lobbying resolutions were also strongly supported in spite of board opposition at Paccar (46 percent), Coterra Energy (37 percent), Wells Fargo (32 percent) and Amazon (24 percent).

This year also saw shareholder resolutions on just transition reporting, a topic which LAPFF has focused on over the past few years. The just transition resolution at BorgWarner received 31 percent of shareholder votes, 27 percent at Amazon and 16 percent at Marathon Petroleum.

In Progress: LAPFF will continue to issue climate voting alerts to support resolutions aligned with LAPFF engagement objectives. LAPFF also intends to follow up with the companies where there were significant votes in favour of shareholder resolutions to understand how the board intends to respond.

MINING VOTING ALERTS

Objective: LAPFF issued voting alerts this quarter for Rio Tinto, Anglo American, Glencore, and Vale. The aim of these voting alerts was to draw attention to both the companies and investors that there is still significant work to do on both human rights and decarbonisation in respect of creating shareholder value for investors.

Achieved: Three of the resolutions for which LAPFF recommended oppose votes at Rio Tinto were related to executive remuneration and the re-election of the sustainability committee chair. These resolutions received the highest number

of oppose votes from voting shareholders. The sustainability committee chair is scheduled to step down later in the year because she reached her nine-year limit on the board. However, LAPFF has opposed her re-election since 2021 because she has been in this role since before the company's destruction of Juukan Gorge in 2020. LAPFF also recommended opposing Anglo American's remuneration implementation and policy reports, which received oppose votes at the AGM of over five and four percent respectively.

In addition to issuing voting alerts for Rio Tinto and Anglo American, LAPFF attended the AGMs of these two companies. As with the Rio Tinto sustainability committee chair, the Anglo American sustainability committee chair received a high oppose vote (over six percent). However, unlike his Rio Tinto counterpart, he was not present at the AGM. The Anglo American chair also received an oppose vote of over three percent. LAPFF was quite surprised and disappointed when he requested that people asking questions at the meeting do so only in English, especially given that a number of affected community members had travelled from South America to attend the AGM and ask questions.

The Vale and Glencore AGMs were in Brazil and Switzerland, respectively, so LAPFF was not able to attend. Nearly 22 percent of votes opposed and abstained on Vale's annual report (the vast majority abstaining); LAPFF had recommended an oppose vote on this report in relation to its coverage of the Mariana and Brumadinho tailings dam collapses. LAPFF recommended a vote in favour of the shareholder resolution on climate at Glencore, which received nearly 30 percent support from voting shareholders.

In Progress: LAPFF will continue to engage all of these companies on both their human rights and environmental practices on the basis that improved practice in these areas will set the conditions for sustainable shareholder returns.

COMPANY ENGAGEMENTS



The headquarters of Tesla Motors

TECHNOLOGY VOTING ALERTS

Objective: LAPFF has issued voting alerts largely supporting ESG shareholder resolutions filed at technology companies over the last few years and did so again this year. In LAPFF's experience, US companies do not have a culture of engaging with investors in the way that UK and Australian companies do. Therefore, while voting alerts are part of an engagement escalation strategy in most markets, LAPFF often issues voting alerts as an initial point of engagement with US companies with which it deems there are ESG or financial concerns. LAPFF continues to have concerns about corporate governance and social practices at large US technology companies.

Achieved: LAPFF issued voting alerts for Amazon, Tesla, Meta Platforms, and Alphabet, supporting shareholder resolutions on platform content and improved corporate governance practices, among others.

In Progress: Prior to issuing voting alerts, LAPFF sends the draft alerts to the target companies for comment. If the companies comment, LAPFF includes the company comments in the alert issued to its members. However, none of the technology companies receiving voting alerts provided comments or responses to LAPFF. LAPFF continues to seek ways to engage these companies meaningfully in relation to the issues of concern to LAPFF.

COMPANY ENGAGEMENT MEETINGS

Shell

Objective: LAPFF has been seeking a meeting with the new CEO given concerns about the company's climate transition strategy under the previous CEO. Instead, Shell offered a meeting with the Chair, Sir Andrew Mackenzie.

Achieved: After a difficult start to the meeting, the tone and content of the engagement improved, and there was a more refreshing and open conversation about the challenges of decarbonisation. For that reason, and because Sir Andrew is relatively new, and was appointed after the deficit 2021 Climate Transition Plan, LAPFF recommend voting for his re-election and against the incumbent NEDs that were appointed prior to him.

In Progress: LAPFF noted at the AGM that Sir Andrew indicated that Shell would be presenting a new Climate Transition Plan before the 2024 AGM; the Forum will be engaging further on that plan. Of particular interest is the extent of disclaimers in the Transition Plan itself and in the Annual Report's reference to the Transition Plan. We therefore have the conclusion that the Transition Plan is not reliable enough to be included for strategic purposes in the Annual Report, the requirements for which have legal thresholds of reliability.

BP

Objective: LAPFF sought a meeting with the CEO to better understand BP's decision to move down its 2030 reduction targets.

Achieved: LAPFF had a cordial meeting and gained some explanations of BP's thinking, with further research and engagement in this area to follow.

In Progress: Further contact and engagement with the company is ongoing.

HSBC

Objective: LAPFF's aim in engaging with HSBC is to ensure the company continues to show leadership in climate and addresses the human rights concerns arising from the increasing integration of Hong Kong into mainland China. While

HSBC has made substantial progress on climate, certain aspects of its strategy need strengthening, in particular over the assessment of credible transition plans when lending. HSBC also faces growing human rights challenges from the increasing integration of Hong Kong into mainland China and has faced criticism for blocking the accounts of activists and the payment of pensions to those leaving Hong Kong. This point relates to shareholder proposals to split the UK and Hong Kong businesses, which have been strongly opposed by management but would be one approach to easing human rights concerns.

Achieved: LAPFF met with the Senior Independent Director to discuss its concerns. On the issue of the company split LAPFF explained that it is prepared to support the company for now, but this issue does link with broader human rights concerns over strategy and involvement in mainland China.

As a result of this meeting, LAPFF decided to issue a voting alert, recommending voting against the report and accounts as the human rights disclosures were inadequate and a broader strategy in response to the changes in Hong Kong is needed. Climate disclosure too could be improved, in particular around credible transition plans.

In Progress: The company has invited LAPFF to a follow up meeting to focus on human rights. LAPFF will seek to explore further with HSBC how it can manage the challenge of having substantial retail operations in Hong Kong now that it is under effective direct control of mainland China, while maintaining a progressive international reputation. LAPFF has also been invited to have further discussion with the company on climate finance and reporting.

Barclays

Objective: The aim of meeting with Barclays was two-fold. The first objective was to ensure continued progress on climate related disclosure and investment, including challenging the company on fossil fuel investments. The second objective was to seek to improve governance, noting CEO appointments have been a long-term issue for the company.

COMPANY ENGAGEMENTS



Headquarters of Barclays Bank in Canary Wharf

Achieved: LAPFF was offered a very late meeting with the Chair, where it expressed its concerns primarily over governance. The discussion centred on why the Financial Conduct Authority (FCA) investigation reached a different conclusion to that of the Board a year earlier, and what that might mean for the analysis and judgement of the Board. Recent press allegations had further heightened our concerns, with suggestions that the Board could have known more. LAPFF was considering issuing a voting alert recommending abstaining on the election of the Chair. However, in light of further discussions with the Chair, the alert was withdrawn.

In Progress: LAPFF expects to follow up with the Chair shortly and will further discuss governance, seeking reassurances and identifying any possible actions. LAPFF will also follow up with Barclays on climate action and disclosure, in particular the rate of wind down of fossil fuel lending.

Rio Tinto

Objective: LAPFF was outspoken about Rio Tinto's destruction of Juukan Gorge and has been engaging consistently with communities around the world affected by the miner's activities. Although LAPFF met briefly with Rio Tinto's new Chair, Dominic Barton, at the 2022 Rio

Tinto AGM, it had not met with him one-on-one. LAPFF's aim was to have a meaningful meeting with him and ensure that the company is being overseen by an effective chair.

Achieved: LAPFF Chair, Cllr Doug McMurdo, met with Mr Barton toward the end of March to discuss the company's on-going transformation in the wake of Juukan Gorge. The meeting was cordial, and Mr Barton was receptive to LAPFF's thoughts and observations. LAPFF also met with community representatives from the US, Serbia, and Madagascar to hear about their experiences with Rio Tinto. Shortly after meeting Mr Barton, Cllr McMurdo attended the Rio Tinto AGM and posed a question about how the company is seeking to improve its social license to operate.

The morning of the AGM, LAPFF also met with Vicky Peacey, the new head of Rio Tinto and BHP's joint venture, Resolution Copper, in Arizona. Having met with a community representative from Arizona, it was helpful to hear about Resolution Copper's view on the project's developments and its perceptions of community concerns about the project.

In Progress: In addition to continued community concerns about Rio Tinto's engagement with them on social and environmental matters, LAPFF continues to question the company's approach

to social and environmental impact assessments. LAPFF's view is that these impact assessments need to be more methodologically rigorous, independent, and more reflective of concerns raised by affected stakeholders critical of the company's operations.

Anglo American

Objective: LAPFF's main objective in engaging with Anglo American this quarter was to obtain the company's views on its report from LAPFF's time in Brazil visiting communities affected by Anglo American's Minas Rio mine. However, as a member of the PRI Advance group on Anglo American, LAPFF also sought to work with the other group members to establish a relationship with the company through that forum.

Achieved: Anglo American engaged significantly with LAPFF in relation to the Brazil report. Part of the engagement included a meeting with operational staff familiar with Minas Rio and with community concerns in relation to the mine and its tailings dam. The company's insights and contributions were extremely useful, and LAPFF was able to include many of them in the Brazil report.

LAPFF also attended the Anglo American AGM after having met community members from Peru, Colombia, and one of the Brazilian community members it had met during its visit. LAPFF's AGM question was whether the board would commit to visiting community members affected by Anglo American's operations during its visits to various Anglo American project sites throughout the year. The Anglo American Chair, Stuart Chambers, stated that the board would make this commitment.

Toward the end of the quarter, LAPFF joined with lead investors, Morgan Stanley and Schroders, to meet with Anglo American through the PRI Advance initiative. The company representatives appeared to welcome the engagement. LAPFF asked about the company's perceptions of why affected community members did not want to meet with local management at Anglo American sites.

In Progress: LAPFF was surprised at the Chair's request that AGM participants ask

COMPANY ENGAGEMENTS

their questions in English given the effort and expense made by the community members in traveling to the UK to attend the AGM. In the PRI Advance meeting, LAPFF asked whether the company would be willing to re-think this requirement at the next AGM. LAPFF will also seek to engage the chair about this decision.

BHP

Objective: LAPFF was pleased that BHP began to respond to LAPFF's request for engagement in relation to Brazil given that the company did not grant a meeting with BHP Brazil during LAPFF's visit. LAPFF's aim was to meet with the company to discuss further its approach to non-operated joint ventures and its community engagement approach, as well as developments in Brazil.

Achieved: The company provided helpful comments on LAPFF's report about its visit to Brazil and offered a meeting to discuss the UK litigation pertaining to the company's activities in relation to the Samarco tailings dam collapse. Samarco is a joint venture between Vale and BHP, with BHP being the non-operating joint venture partner.

In Progress: LAPFF will continue to try to engage meaningfully with BHP, including in relation to its role in the reparations for the Mariana communities in Brazil affected by the Samarco tailings dam collapse.

Vale

Objective: An ongoing area of engagement with Vale has been the time it has taken for affected community members to be resettled following the destruction of their homes in the tailing dam disasters. Alongside gaining assurances regarding the resettlement process, LAPFF sought to engage the company on other findings in the report from LAPFF's time Brazil.

Achieved: LAPFF met with representatives from the company. Whilst still slow, the company indicated that progress was being made regarding the resettlement process. LAPFF heard how the company was continuing to seek to learn from what happened to improve its practices and that the changes occurring were in part due to engagement it has had with



B&Q DIY store, Kingfisher plc

LAPFF. The meeting also discussed the importance of investors spending time with NGOs and communities, as LAPFF did in its visit to Brazil.

In progress: LAPFF will continue to follow the progress of the resettlement projects and engage on issues highlighted in LAPFF's report, including dam safety and water quality.

Kingfisher

Objective: Kingfisher was cited in a Financial Times article as providing above inflation wage increases for its lowest paid staff, in contrast to the vast majority of FTSE100 companies. LAPFF sought a meeting to understand the company's approach to remuneration and employee engagement, particularly in the context of a cost-of-living crisis.

Achieved: LAPFF met with Kingfisher in April, when company representatives provided an overview of its efforts around employee engagement and where it had provided support for its employees, looking at benefits as well as salary increases. Overall, Kingfisher described steps it was taking business-wide in this context.

In Progress: LAPFF continues to monitor company remuneration, looking at both CEO and employee pay.

Bank Leumi

Objective: As a part of the Forum's engagement with companies considered to be active in the Occupied Palestinian Territories, LAPFF has sought a meeting with Bank Leumi, an Israeli bank, to encourage the company to undergo an independently led human rights impact assessment, and to better understand the company's approach to human rights in its financing decisions.

Achieved: LAPFF met with representatives from the bank, who were open to dialogue. The Forum pointed out areas it believed disclosures could be enhanced around human rights and how the company managed such risks in its investment decisions. Whilst the company talks about human rights in its reporting, it does not provide any detail on its risk management protocols when looking at investment decisions, and how it manages potential direct and indirect adverse human rights impacts.

In Progress: LAPFF continues to push companies for meetings to discuss their approaches to human rights risk management in relation to the Occupied Palestinian Territories.

COMPANY ENGAGEMENTS



Garment factory workers in Myanmar

Home Depot

Objective: The Home Depot was reported to have alleged links to forced labour in its polyvinyl chloride (PVC) supply chain in the 'Built on Repression' report produced by Sheffield Hallam University. Alongside members from the Investor Alliance on Human Rights Uyghur Working Group, LAPFF met with the company in December and subsequently asked a question at the company's AGM in May.

Achieved: At the AGM, LAPFF asked the company if it would commit to undertaking a mapping of its supply chain in higher-risk areas such as Xinjiang, and whether it would undertake an independently led human rights impact assessment on its PVC supply chain. The company provided a general response on its supply chain due diligence but did not commit to either of LAPFF's requests.

In Progress: Alongside the other investors involved in the engagement, LAPFF will be seeking to organise another call with

the company to further discuss its global supply chain due diligence with a focus on its PVC supply chain and Uyghur forced labour.

Next

Objective: Myanmar has been under an extended state of emergency and fraught with a variety of human rights issues since the military coup in February 2021. The Ethical Trading Initiative posted guidance last September for companies in the country's garment sector, with many choosing to exit the country having exhausted efforts to leverage positive human rights outcomes. Next is one of just a few companies still operating in the country, so LAPFF wanted to understand why the company has chosen to stay.

Achieved: LAPFF Executive member, Sian Kunert, met with Next to discuss its position in the country and what it was doing in the context of human rights risk management and due diligence. Sian asked the company representatives if they thought that Next was doing something different from its peers that allowed it to stay in the country and to respect

workers' and community members' human rights in doing so. Whether it was safe to carry out audits in the country was also probed. LAPFF requested increased disclosure of child labour concerns and remediation practices.

In Progress: LAPFF will continue to monitor the company's response to the ongoing coup in Myanmar and potential labour rights issues that may arise and affect its approach to human rights.

Adidas

Objective: Adidas is another company that maintains operations in Myanmar. It was also subject to a letter from the US House Select Committee on the Chinese Communist Party regarding supply chain links to cotton produced with Uyghur forced labour. As with Next, LAPFF was keen to understand why Adidas has decided to maintain operations in the country.

Achieved: LAPFF met with Adidas to discuss these supply chain issues in the context of the company's approach to human rights risk management in its

COLLABORATIVE ENGAGEMENTS

global supply chains. LAPFF Executive member, Sian Kunert, asked questions about the development of the company's human rights policy, its decision to remain in Myanmar, and on its due diligence regarding Uyghur forced labour in its supply chains, which the company provided comprehensive answers to.

In Progress: It is unclear whether Adidas' response to the House Select Committee is something that will be made public. LAPFF will continue to monitor how the company chooses to publicise its supply chain practices, as well as continuing to monitor labour rights issues in both Myanmar and Xinjiang.

COLLABORATIVE ENGAGEMENTS

Toyota – CA100+

Objective: Transportation is a major cause of carbon emissions and therefore a strategically important sector to decarbonise. It is also a sector in the middle of significant transition, as technology advances and regulations and public policies make EVs more price competitive. Those companies not making the shift and seeking to slow the passage of environmental laws and regulation are therefore creating investment risks associated with not staying within 1.5 degrees of warming and being left behind by competitors shifting to EVs. One company of concern about its lobbying alignment and its plans and targets for moving to electric vehicles has been Toyota. Through the CA100+ transportation group, LAPFF has been seeking to ensure these risks are properly addressed.

Achieved: This quarter LAPFF signed on to a letter to Toyota organised by NYC Office of the Comptroller and Domini Impact Investments, which called on the company to align its strategy and lobbying activity to a 1.5 degree scenario.

Concern about Toyota's lobbying activity led to a shareholder resolution, calling for an annual review and report on the impact on Toyota caused by climate-related lobbying activities and the alignment of their activities with the goals of the Paris Agreement. As part of its climate voting alerts LAPFF supported

the resolution.

During the quarter, LAPFF also met with the company as part of the collaborative engagement. The meeting covered proposed US regulations and the company's likely position towards it. The company outlined capital expenditure on EVs, its plans for EV production, and discussed the challenges around battery sourcing.

In Progress: LAPFF will continue to engage with Toyota, and other carmakers, to ensure that plans for EV production are aligned to a 1.5 degree pathway and also ensure alignment of public policy positions with the Paris agreement.

Welltower – IIRC

Objective: LAPFF is a member of the Investor Initiative for Responsible Care (IIRC), a coalition of 138 responsible and long-term investors in the care sector with \$4.4 trillion in assets under management, coordinated by UNI Global Union. The initiative aims to address investment risks associated with employment and care standards within the social care sector. The initiative not only engages with care providers, but also Real Estate Investment Trusts to ensure that they are supporting operators meet expectations on such standards. As part of the initiative, LAPFF wrote to Welltower, a US-based REIT, seeking a meeting. LAPFF also requested the company provide information including on exposure levels and oversight mechanisms.

Achieved: As the company had not responded to requests for a meeting and information, LAPFF decided to issue a voting alert. As set out in LAPFF's policy guide, investee companies are expected to engage with shareholders and LAPFF expects boards to keep in touch with shareholder opinion. Given the lack of engagement from the company and the potential investment risks, LAPFF recommended voting against the chair of the company. In total 6.9 percent of shareholders voted against the chair, which although a minority position does indicate some concern from shareholders with the chair of the company.

In Progress: LAPFF will continue to participate in the IIRC and will follow up

with Welltower to engage on the potential social risks facing the REIT.

National Grid – CA100+

Objective: LAPFF's aim in engaging National Grid is to ensure that the company remains at the forefront of the energy transition. LAPFF is one of the co-leads at CA100+ on National Grid. Despite a positive superficial impression, detailed analysis reveals substantial issues – gaps in disclosure and transition plans, particularly on climate lobbying and a just transition, continuing involvement in gas distribution without a clear long term transition plan for it, and growing delays in connecting to the grid in UK, affecting the roll out of clean energy in the UK.

Achieved: Several meetings as part of LAPFF's leadership of the group have been held with the company, giving it the chance to explain its concerns and suggest best practice. The company has acknowledged some of LAPFF's comments, particularly on climate lobbying, and shortly before the AGM announced that it would publish a comprehensive review of its climate lobbying activities, a key demand of LAPFF and other CA100+ members. The company has publicised a policy proposal for addressing the delays in grid connection, which is broadly sensible, and a welcome development. In our meeting with the Chair, she acknowledged some of our concerns over strategy communication, and therefore LAPFF will expect to see further improvement on this in the coming year.

In Progress: LAPFF's focus is on understanding the company's broader long-term strategy and the assumptions behind it, in particular the role it sees for domestic gas. Continuing support for gas may explain much of its reluctance to embrace Net Zero more fully. Improved strategic disclosure would help address this, including a more balanced discussion of the use of low carbon gas, and the Company's own plans or vision for improving grid connections (ideally with targets) rather than passing the blame to regulators. These areas will form the focus on LAPFF ongoing engagement with the company over the coming year.

COLLABORATIVE/STAKEHOLDER ENGAGEMENT



National Grid gas distribution operations

Vale and Anglo American - PRI Advance

Objective: LAPFF continued to engage with both the Vale and Anglo American groups through the PRI Advance initiative on human rights. Both groups are in the process of establishing their engagement strategies, and LAPFF's aim is to contribute its knowledge from its own engagements with both companies to these engagement strategies, and to the engagements themselves.

Achieved: The Vale group held a meeting to establish its engagement strategy, and the Anglo American group held its first meeting with the company. Anglo American appeared to be very receptive to a meeting with the group, and the meeting was cordial. LAPFF contributed content to the questions posed at the meeting.

In Progress: LAPFF has been asked to become a lead investor in the Vale group given its work in Brazil and has accepted this invitation. It will continue to work with both the Vale and Anglo American

groups to engage the companies and push for meaningful human rights improvements.

30% Club Investor Group

Objective: LAPFF continues to support the 30% Club Investor Group, a coalition of investors pushing for women to represent at least 30% of boardroom and senior management positions at FTSE-listed companies. The group has extended its remit globally and has been engaging in different markets, encouraging companies to join regional charters and looking at other aspects of diversity in company practices.

Achieved: LAPFF met with Sanwa Holdings and Kamigumi Co in April. Although neither company is currently a member of the Japanese 30% Club Charter, both companies provided information around their company wide, and senior level diversity efforts.

In Progress: The Group has continued to extend its outreach to companies outside of the UK, with LAPFF set to lead on

engagements through the Group's Global Workstream subgroup.

STAKEHOLDER ENGAGEMENT

OECD Forum on Responsible Supply Chains

Objective: LAPFF was asked to present at a side event of the OECD Forum on Responsible Supply Chains. The aim of the presentation was to share LAPFF's learning from its visit to Brazil and, more broadly, its engagement with stakeholders affected by mining operations. It was also useful to engage with the other panellists to understand their work and perspectives better.

Achieved: LAPFF was approached by a number of event participants after its presentation. These participants stated that they were impressed with LAPFF's work in this area and wanted to learn more about LAPFF's experience.

In Progress: LAPFF is continuing to engage with these contacts and others made through them to explore

STAKEHOLDER ENGAGEMENT

opportunities to develop this work stream further.

Mining Communities and Workers

Objective: Communities affected by mining operations always approach LAPFF in the run up to mining company AGMs. LAPFF's aim in meeting with them is to listen to the communities' experiences in order to understand better any operational, reputational, legal, and/or financial risks associated with its members' investments. This information then feeds into questions LAPFF poses at company AGMs and company meetings.

Because LAPFF has been engaging with these communities for a number of years now, much of the engagement is focused on updates from community members about mining impacts. However, there are sadly always new communities and new concerns arising from community experiences. LAPFF is keen to learn about the perspectives of these new communities too.

LAPFF also meets with trade union representatives and hears from workers at investee companies where possible to inform its engagements with these companies.

Achieved: LAPFF met with community representatives from the US, Serbia, Madagascar, Papua New Guinea, Mexico, Peru, Colombia, and Brazil to hear about their experiences with Rio Tinto, Anglo American, and Vale. LAPFF also virtually attended a 'pre-AGM' meeting hosted by ShareAction and IndustriALL in relation to Glencore where trade union leaders and community members from a range of countries reported their concerns about Glencore's practices.

LAPFF attended a webinar to hear about the Amazon shareholder resolution on freedom of association and collective bargaining. There were Amazon workers on the call who spoke about their experiences and views about Amazon's work place practices. This webinar informed the content of LAPFF's voting alert for Amazon.

In Progress: LAPFF is continuing to meet with representatives of all of these communities on a regular basis to obtain updates for company engagements. In LAPFF's experience, the companies are



Uyghur activists and other supporters gathered on Parliament Square

receptive to the information conveyed. The ultimate goal, though, is to ensure that company practice on human rights and the environment meets community needs so that it can create the conditions for more sustainable shareholder returns.

Uyghur Forced Labour in Green Technology Supply Chains

Objective: This year, the Modern Slavery and Human Rights Policy and Evidence Centre (Modern Slavery PEC) announced a project to explore and uncover links between the climate crisis and modern slavery globally. Within this, Anti-Slavery International, Sheffield Hallam University and the Investor Alliance for Human Rights are examining Uyghur forced labour in the production of green technology, such as electric vehicles and solar panels. The project aims to provide guidance on how investors can address the risk of Uyghur forced labour and other affected peoples in green technology holdings.

Achieved: LAPFF took part in an initial consultation process for the project, looking at the Forum's understanding of forced labour in these sectors. LAPFF subsequently joined a two-day workshop alongside other investors and NGOs, taking an in-depth look at the challenges investors face in addressing these risks, engagement barriers and information gaps, before looking at potential avenues to move forward.

In Progress: LAPFF is engaging with electric vehicle manufacturers on a range of issues, inclusive of human rights, and will raise these relevant supply chain issues in engagements with such manufacturers.

CONSULTATION RESPONSES

UN Working Group on Business and Human Rights

Objective: The UN Working Group on Business and Human Rights ran a consultation this quarter on extractives, human rights, and the just transition. LAPFF has been working heavily in all three of these areas so was keen to share its views and experiences.

Achieved: LAPFF submitted a consultation response that expressed support for good human rights and environmental due diligence legislation and emphasised the need for improved stakeholder engagement by extractive companies. LAPFF welcomed the opportunity to respond, appreciating the consultation's recognition that both state and business actors have imperatives to act effectively on these issues. LAPFF's response called for mandatory reporting on climate plans to cover just transition factors, including stakeholder mapping and free, prior and informed consent (FPIC), and for boards to regularly engage with stakeholders and undertake FPIC in good faith.

WEBINARS/MEDIA

In Progress: LAPFF will continue to look for opportunities to respond to consultations when it believes it can contribute helpfully based on its engagement and policy experience.

LAPFF WEBINARS

All-Party Parliamentary Group

In early April, the LAPFF-supported APPG on Local Authority Pension Funds held a meeting with LGPS minister, Lee Rowley MP, accompanied by a senior civil servant from the Department for Levelling Up, Housing and Communities.

The meeting focused in large part on the proposed consultations on LGPS pooling and investment in illiquid assets. The minister indicated the government's preference would be for a voluntary approach to both issues and stated that the pooling consultation would be published in the coming months. On the matter of TCFD reporting, because the department received so many responses to its consultation, it was suggested that reporting requirements may not come into force until the following financial year.

The APPG also met at the end of June to discuss the LGPS and investment in illiquid assets. In the 2023 Budget, the government stated that it would: "Consult on requiring LGPS funds to consider investment opportunities in illiquid assets such as venture and growth capital, thereby seeking to unlock some of the £364 billion of LGPS assets into long-term productive assets."

On the back of the proposed consultation, the meeting heard from the Karim Palant (director of External Affairs) and Garry Wilson (chairman) of the British Private Equity & Venture Capital Association (BVCA) who highlighted the opportunities of such investment. The meeting also heard from Andrew Williamson of Cambridge Innovation Capital on the growth of venture capital. Sian Kunert, Head of Pensions at East Sussex Pension Fund and LAPFF Executive member, outlined what her fund was already doing and the opportunities and challenges of investing in illiquid assets.

LAPFF/IndustriALL Garment Workers Webinar

LAPFF again partnered with IndustriALL to host a webinar on the importance of concluding negotiated, binding agreements rather than relying on voluntary, business-driven standards to reduce both human rights risk and business risk. The webinar was chaired by LAPFF Vice Chair, Cllr John Gray, and included speakers from Due Diligence Design, Aviva Investors, IndustriALL Global Union, and the Bangladesh Garment & Industrial Workers Federation (BGIWF).

MEDIA COVERAGE

Climate

Financial Times: [Only 5% of FTSE100 companies have 'credible' climate transition plans, says EY](#)
Reuters: [UK's LAPFF recommends vote for BP climate activist resolution at AGM](#)
CNBC: [Oil major BP braces itself for shareholder revolt after scaling back its climate targets](#)

Minuto Mais [Portuguese]: [BP to quell shareholder anger after climate strategy flip](#)

Reuters: [Shell shareholders urged by LAPFF to back climate activist's resolution](#)

Syndicated in Canada's [Financial Post and Globe and Mail](#)

The Times: [Climate backlash from Shell investors](#)

The MJ: [Shell hits back after council fund criticism](#)

Offshore Technology: [LAPFF urges Shell shareholders to back climate resolution](#)

Net Zero Investor: [Shell's upcoming AGM showcases the challenges for shareholder activism](#)

CNBC: [Oil giant Shell braces for shareholder revolt over climate plans](#)

Reuters: [Analysis: Shell faces tense shareholder meeting as profits and climate collide](#)

Capital Monitor: [How investors voted on climate change at Big Oil AGMs](#)

Plastics

Business Green: [Investors sound alarm over weak corporate plastic pollution policies](#)

Mining and Human Rights

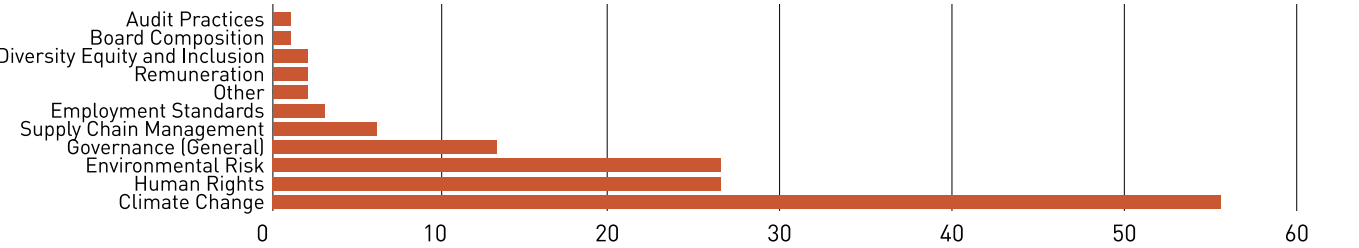
Daily Mail: [BHP blasted over clean-up of deadly mine disaster](#)

Legal Future: [Supreme Court will not hear appeal on largest-ever group action](#)

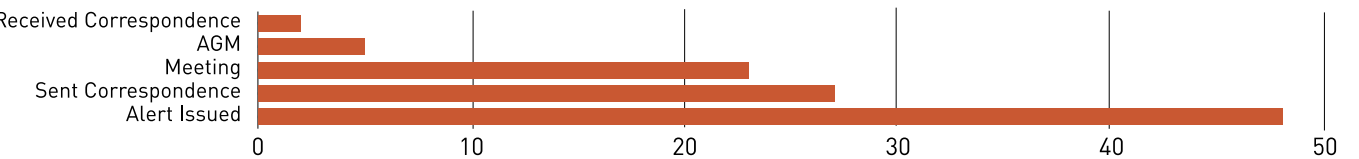
The Times: [Mindful miner Jakob Stausholm is trying to dig Rio Tinto out of a hole](#)

ENGAGEMENT DATA

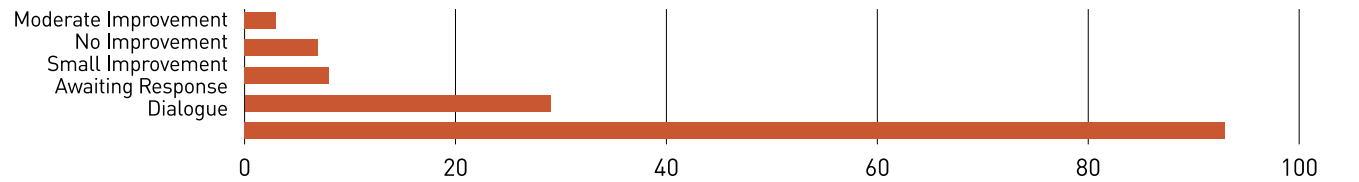
ENGAGEMENT TOPICS



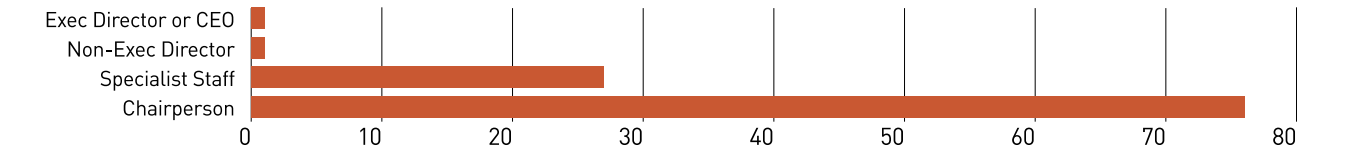
ACTIVITY



MEETING ENGAGEMENT OUTCOMES



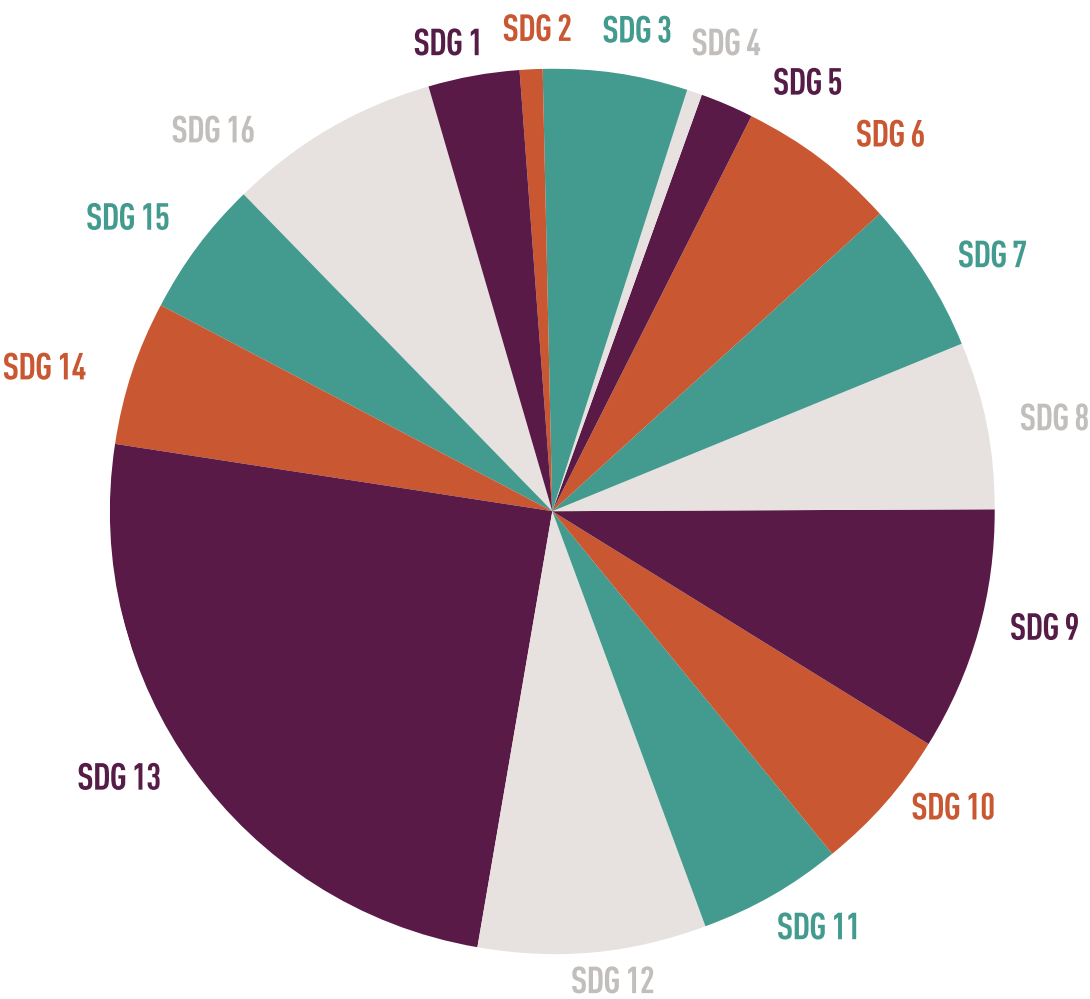
POSITION ENGAGED



COMPANY DOMICILES



ENGAGEMENT DATA



LAPFF SDG ENGAGEMENTS

SDG 1: No Poverty	10
SDG 2: Zero Hunger	3
SDG 3: Good Health and Well-Being	16
SDG 4: Quality Education	1
SDG 5: Gender Equality	6
SDG 6: Clean Water and Sanitation	18
SDG 7: Affordable and Clean Energy	16
SDG 8: Decent Work and Economic Growth	19
SDG 9: Industry, Innovation, and Infrastructure	26
SDG 10: Reduced Inequalities	16
SDG 11: Sustainable Cities and Communities	16
SDG 12: Responsible Production and Consumption	25
SDG 13: Climate Action	74
SDG 14: Life Below Water	16
SDG 15: Life on Land	15
SDG 16: Peace, Justice, and Strong Institutions	23
SDG 17: Strengthen the Means of Implementation and Revitalise the Global Partnership for Sustainable Development	0

COMPANY PROGRESS REPORT

LAPFF engaged 84 companies during the quarter

Company/Index	Activity	Topic	Outcome
ADIDAS AG	Meeting	Supply Chain Management	Moderate Improvement
ALPHABET INC	Alert Issued	Human Rights	Dialogue
AMAZON.COM INC.	Alert Issued	Human Rights	Dialogue
AMEREN CORPORATION	Alert Issued	Climate Change	Dialogue
ANGLO AMERICAN PLC	AGM	Human Rights	Dialogue
ASSOCIATED BRITISH FOODS PLC	Received Correspondence	Human Rights	Dialogue
BANK LEUMI LE-ISRAEL BM	Meeting	Human Rights	No Improvement
BANK OF AMERICA CORPORATION	Alert Issued	Climate Change	Dialogue
BARCLAYS PLC	Meeting	Climate Change	Dialogue
BERKSHIRE HATHAWAY INC.	Alert Issued	Climate Change	Dialogue
BHP GROUP LIMITED (AUS)	Meeting	Human Rights	Small Improvement
BORGWARNER INC	Alert Issued	Climate Change	Dialogue
BP PLC	Alert Issued	Environmental Risk	Dialogue
BRIDGESTONE CORP	Meeting	Board Composition	Small Improvement
CENOVUS ENERGY INC	Alert Issued	Climate Change	Dialogue
CENTERPOINT ENERGY INC	Alert Issued	Climate Change	Dialogue
CENTRICA PLC	Sent Correspondence	Social Risk	Awaiting Response
CHEVRON CORPORATION	Alert Issued	Climate Change	Dialogue
CHUBB LIMITED	Alert Issued	Climate Change	Dialogue
CK HUTCHISON HOLDINGS LTD	Sent Correspondence	Environmental Risk	Awaiting Response
COMCAST CORPORATION	Alert Issued	Climate Change	Dialogue
COSTAR GROUP INC	Alert Issued	Climate Change	Dialogue
COTERRA ENERGY INC	Alert Issued	Climate Change	Dialogue
DBS BANK LTD	Meeting	Climate Change	Dialogue
DOLLARAMA INC	Alert Issued	Climate Change	Dialogue
DRAX GROUP PLC	AGM	Governance (General)	Dialogue
E.ON SE	Sent Correspondence	Social Risk	Awaiting Response
EDF (ELECTRICITE DE FRANCE) SA	Sent Correspondence	Social Risk	Awaiting Response
ELECTRIC POWER DEVELOPMENT CO	Alert Issued	Climate Change	Dialogue
ENBRIDGE INC	Alert Issued	Climate Change	Dialogue
EXXON MOBIL CORPORATION	Alert Issued	Climate Change	Dialogue
GLENCORE PLC	Alert Issued	Human Rights	Dialogue
GRUPO MEXICO SA DE CV	Sent Correspondence	Human Rights	Dialogue
GSK PLC	Sent Correspondence	Climate Change	Awaiting Response
HENNES & MAURITZ AB (H&M)	Sent Correspondence	Human Rights	Awaiting Response
HONEYWELL INTERNATIONAL INC.	Sent Correspondence	Environmental Risk	Awaiting Response
HSBC HOLDINGS PLC	Alert Issued	Governance (General)	Dialogue
IBERDROLA SA	Sent Correspondence	Social Risk	Awaiting Response
IDEX CORPORATION	Sent Correspondence	Climate Change	Awaiting Response
IMPERIAL OIL LIMITED	Alert Issued	Climate Change	Dialogue
JPMORGAN CHASE & CO.	Alert Issued	Climate Change	Dialogue
KAMIGUMI CO LTD	Meeting	Diversity Equity and Inclusion	Small Improvement
KELLOGG COMPANY	Meeting	Other	No Improvement
KINGFISHER PLC	Meeting	Employment Standards	Moderate Improvement
LINDT & SPRUNGLI AG	Sent Correspondence	Environmental Risk	Awaiting Response
LOCKHEED MARTIN CORPORATION	Alert Issued	Climate Change	Dialogue
MARATHON PETROLEUM CORPORATION	Alert Issued	Climate Change	Dialogue
MARKEL CORPORATION	Sent Correspondence	Climate Change	Awaiting Response
META PLATFORMS INC	Alert Issued	Human Rights	Dialogue
MITSUBISHI UFJ FINANCIAL GRP	Alert Issued	Climate Change	Dialogue
NATIONAL GRID PLC	Alert Issued	Climate Change	Dialogue
NEW YORK COMMUNITY BANCORP INC	Alert Issued	Climate Change	Dialogue
NEXT PLC	Meeting	Supply Chain Management	Small Improvement
NIKE INC.	Sent Correspondence	Human Rights	Awaiting Response
NINTENDO CO LTD	Sent Correspondence	Environmental Risk	Awaiting Response
PACCAR INC.	Alert Issued	Climate Change	Dialogue
PENNON GROUP PLC	Sent Correspondence	Environmental Risk	Awaiting Response
PUBLIC STORAGE	Alert Issued	Climate Change	Dialogue

COMPANY PROGRESS REPORT

QUEST DIAGNOSTICS INCORPORATED	Alert Issued	Climate Change	Dialogue
RAYTHEON TECHNOLOGIES CORP	Alert Issued	Climate Change	Dialogue
RIO TINTO GROUP (AUS)	AGM	Human Rights	Dialogue
ROCHE HOLDING AG	Sent Correspondence	Environmental Risk	Awaiting Response
SANOFI	Sent Correspondence	Environmental Risk	Awaiting Response
SANWA HOLDINGS CORP	Meeting	Diversity Equity and Inclusion	Small Improvement
SEVERN TRENT PLC	Sent Correspondence	Environmental Risk	Awaiting Response
SHELL PLC	AGM	Climate Change	No Improvement
SOUTHERN COMPANY	Alert Issued	Climate Change	Dialogue
SUMITOMO MITSUI FINANCIAL GROUP	Alert Issued	Climate Change	Dialogue
TESLA INC	Alert Issued	Human Rights	Dialogue
THE GOLDMAN SACHS GROUP INC.	Alert Issued	Climate Change	Dialogue
THE HOME DEPOT INC	AGM	Human Rights	No Improvement
THE MOSAIC COMPANY	Alert Issued	Climate Change	Dialogue
THE TJX COMPANIES INC.	Sent Correspondence	Environmental Risk	Awaiting Response
THE TRAVELERS COMPANIES INC.	Alert Issued	Climate Change	Dialogue
TOKYO ELECTRIC POWER CO INC	Alert Issued	Climate Change	Dialogue
TOTALENERGIES SE	Alert Issued	Climate Change	Dialogue
TOYOTA MOTOR CORP	Meeting	Climate Change	Small Improvement
UNITED UTILITIES GROUP PLC	Sent Correspondence	Environmental Risk	Awaiting Response
VALE SA	Meeting	Environmental Risk	Dialogue
VALERO ENERGY CORPORATION	Alert Issued	Climate Change	Dialogue
VOLVO AB	Sent Correspondence	Human Rights	Dialogue
WELLS FARGO & COMPANY	Alert Issued	Climate Change	Dialogue
WELLTOWER INC	Alert Issued	Governance (General)	Dialogue
WH GROUP LTD	Sent Correspondence	Climate Change	Awaiting Response

LOCAL AUTHORITY PENSION FUND FORUM MEMBERS

Avon Pension Fund	Environment Agency Pension Fund	Lincolnshire Pension Fund	Swansea Pension Fund
Barking and Dagenham Pension Fund	Essex Pension Fund	London Pension Fund Authority	Teesside Pension Fund
Barnet Pension Fund	Falkirk Pension Fund	Lothian Pension Fund	Tower Hamlets Pension Fund
Bedfordshire Pension Fund	Gloucestershire Pension Fund	Merseyside Pension Fund	Tyne and Wear Pension Fund
Berkshire Pension Fund	Greater Gwent Pension Fund	Merton Pension Fund	Waltham Forest Pension Fund
Bexley (London Borough of)	Greater Manchester Pension Fund	Newham Pension Fund	Wandsworth Borough Council Pension Fund
Brent (London Borough of)	Greenwich Pension Fund	Norfolk Pension Fund	Warwickshire Pension Fund
Cambridgeshire Pension Fund	Gwynedd Pension Fund	North East Scotland Pension Fund	West Midlands Pension Fund
Camden Pension Fund	Hackney Pension Fund	North Yorkshire Pension Fund	West Yorkshire Pension Fund
Cardiff & Glamorgan Pension Fund	Hammersmith and Fulham Pension Fund	Northamptonshire Pension Fund	Westminster Pension Fund
Cheshire Pension Fund	Haringey Pension Fund	Nottinghamshire Pension Fund	Wiltshire Pension Fund
City of London Corporation Pension Fund	Harrow Pension Fund	Oxfordshire Pension Fund	Worcestershire Pension Fund
Clwyd Pension Fund (Flintshire CC)	Havering Pension Fund	Powys Pension Fund	
Cornwall Pension Fund	Hertfordshire Pension Fund	Redbridge Pension Fund	
Croydon Pension Fund	Hillingdon Pension Fund	Rhondda Cynon Taf Pension Fund	Pool Company Members
Cumbria Pension Fund	Hounslow Pension Fund	Scottish Borders Pension Fund	Border to Coast Pensions Partnership
Derbyshire Pension Fund	Isle of Wight Pension Fund	Shropshire Pension Fund	LGPS Central
Devon Pension Fund	Islington Pension Fund	Somerset Pension Fund	Local Pensions Partnership
Dorset Pension Fund	Kensington and Chelsea (Royal Borough of)	South Yorkshire Pension Authority	London CIV
Durham Pension Fund	Kent Pension Fund	Southwark Pension Fund	Northern LGPS
Dyfed Pension Fund	Kingston upon Thames Pension Fund	Staffordshire Pension Fund	Wales Pension Partnership
Ealing Pension Fund	Lambeth Pension Fund	Strathclyde Pension Fund	
East Riding Pension Fund	Lancashire County Pension Fund	Suffolk Pension Fund	
East Sussex Pension Fund	Leicestershire Pension Fund	Surrey Pension Fund	
Enfield Pension Fund	Lewisham Pension Fund	Sutton Pension Fund	