

SJ Dixon & Son (Holdings) Limited Pension and Life Assurance Scheme – Implementation Statement for the year ended 31 December 2022

1. Purpose

This Implementation Statement reports on how, and the extent to which, the policies set out in the Scheme's Statement of Investment Principles ("SIP") have been complied with during the year ended 31 December 2022.

For the defined contribution ("DC") section, this has been reviewed with respect to the whole SIP and the relevant procedures. These include the exercise of rights (including voting) and undertaking of engagement activities in respect of the Scheme's investments. For the defined benefit ("DB") section, this related to the voting and stewardship policies only.

In addition, this statement also provides a summary of the voting behaviour and most significant votes cast during the reporting year.

2. Background

Under the regulation in force, Trustees of Occupational Pension Schemes are required to prepare an annual implementation that reports on the extent to which they have followed the policies in their SIP. For DC schemes, all policies should be reported on, whereas for DB schemes, Trustees are required to report on the stewardship and engagement policies, including voting.

This statement has been produced in accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 as amended and the guidance published by the Pensions Regulator.

This statement has been prepared by the Trustees, with the assistance of their Investment Consultant (Quantum Advisory).

References herein to the actions, review work or determinations of the Trustees refer to activity that has been carried out by either the Trustees, or the Investment Consultant on the Trustees' behalf.

3. Executive summary

Over the Scheme year, the Trustees:

- Through their investment advisers, reviewed the voting and engagement activity of the funds that invest in equities that were held as at the year-end date (31 December 2022). The Trustees are content with the stewardship and engagement activity the Scheme's investment managers have undertaken.

- Have remained aware of the relevant policies and procedures as identified in the SIP and received input from their Investment Adviser to aid ongoing compliance.
- For the DC section, have reviewed the relevant policies and procedures identified in the SIP, and are content that these have been complied with.

The stewardship activities for funds that do not hold equities have not been reviewed as part of this exercise, as the Trustees believe there is less scope to influence the practices within such arrangements. However, the general stewardship practices of non-equity managers have been reviewed to ensure that they engage with companies, especially with those to which they lend. This ensures that the voice of the bond holder is reflected in conversations.

Furthermore, it should be noted that the Trustees have only reviewed the stewardship activities for those funds that were held at the Scheme year-end date.

4. Reviews of the SIP over the Scheme year

The SIP was last reviewed in October 2020.

The Trustees confirm that:

- There have been no amendments to the SIP over the year.

The investment strategy for the DB section was changed in October 2022. The SIP was updated following the Scheme's year-end.

The SIP will be reviewed in future, to ensure any amendments to investment policy resulting from a review of investment strategy that is ongoing are reflected. The Trustees will seek advice from the Investment Adviser on the SIP and the suitability of the investments.

5. Investment Manager's voting and stewardship policies and activity

Trustees' voting and stewardship policies

The Trustees, through their investment advisers, consider how stewardship factors are integrated into the investment processes when: (i) appointing new investment managers; and (ii) monitoring existing investment managers.

The Trustees are unable to direct how votes are exercised and have not used a proxy voting services provider over the year. The Trustees have given the investment managers full discretion concerning voting and engagement decisions.

As part of this exercise, the Trustees, through their Investment Adviser, have reviewed the voting activities and stewardship policies of the funds. This is to ensure that investment managers engage in voting behaviour that is consistent with the Scheme's stewardship priorities as set out in the SIP.

Over the scheme year, the voting activities of the following funds have been reviewed:

- BNY Mellon UK Income Fund
- BNY Mellon UK Equity Fund
- BNY Mellon US Opportunities Fund
- BNY Mellon Sustainable European Opportunities Fund
- BNY Mellon Multi-Asset Global Balanced Fund

- BNY Mellon Asian Opportunities Fund (Effective 18th November 2022, the Fund name changed from BNY Mellon Oriental Fund to BNY Mellon Asian Opportunities Fund)
- Legal & General Investment Management (“LGIM”) Global Equity (60:40) Fund

It should be noted that the BNY Mellon funds are managed by Newton Investment Management (“Newton”).

Manager’s voting and stewardship policies and procedures

Details of the managers voting and stewardship policies can be found in Appendix 1. In this Statement, the extent to which the investment managers make use of any proxy advisory and voting services was reviewed. The Trustees are satisfied with the voting and policies/procedures of the investment managers. The Trustees plan to consider the Scheme’s stewardship priorities over the coming Scheme year to enable them to assess whether the investment managers’ stewardship priorities are aligned with these.

Voting statistics

The table below sets out the key statistics on voting eligibility and action over the year.

Statistic	BNY Mellon UK Income Fund	BNY Mellon UK Equity Fund	BNY Mellon US Opportunities Fund	BNY Mellon Sustainable European Opportunities Fund	BNY Mellon Multi-Asset Global Balanced Fund	BNY Mellon Asian Opportunities Fund	LGIM Global Equity (60:40) Fund
Number of equity holdings	41	51	80	34	57	45	2757
Meetings eligible to vote at	44	62	76	35	59	81	3197
Resolutions eligible to vote on	856	1125	786	739	996	620	40,837
Proportion of eligible resolutions voted on (%)	100.0	100.0	100.0	95.4	100.0	100.0	99.8
Votes with management (%)	95.7	94.1	75.8	95.0	91.8	84.7	82.0
Votes against management (%)	4.3	5.9	24.2	5.0	8.2	15.3	17.9
Votes abstained from (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Meetings where at least one vote was against management (%)	27.0	29.0	71.0	46.0	44.0	41.0	69.8
Votes contrary to the recommendation of the proxy adviser (%)	3.3	4.5	20.0	4.3	6.1	6.0	12.1

Source: Scheme's underlying investment managers.

The Trustees are generally satisfied with the level of voting activity that has been undertaken. The Trustees queried the proportion of eligible resolutions voted on in respect of the BNY Mellon Sustainable European Opportunities Fund as this was lower than the previous year and other funds. BNY Mellon explained that these related to two company meetings, which were not voted on because the companies had share-blocking restrictions. In these cases, the custodian would have blocked the underlying security which meant that if BNY Mellon wished to trade the holding, the shares would have had to be re-registered, therefore reducing BNY Mellon's ability to freely trade. The other BNY Mellon funds do not have investments in these two companies.

Significant votes over the reporting year

The Trustees, through their investment advisers, reviewed the significant votes cast by the investment managers.

The Trustees have interpreted “most significant votes” to mean their choices from an extended list of “most significant votes” provided by each of the investment managers following the PLSA guidance provided.

Where possible, the Trustees, through their investment advisor, have selected significant votes which incorporate financially material ESG factors. Votes have also been selected, where possible, to include different ESG considerations. The schemes classification of a significant vote generally aligned with the reviewed funds over the scheme year.

A cross section of the most significant votes cast is contained in Appendix 2.

6. Conflicts of interest

This section reviews whether the managers are affected by the following conflicts of interest, and how these are managed.

1. The asset management firm overall having an apparent client-relationship conflict e.g. the manager provides significant products or services to a company in which they also have an equity or bond holding;
2. Senior staff at the asset management firm holding roles (e.g. as a member of the Board) at a company in which the asset management firm has equity or bond holdings;
3. The asset management firm’s stewardship staff having a personal relationship with relevant individuals (e.g. on the Board or the company secretariat) at a company in which the firm has an equity or bond holding;
4. A situation where the interests of different clients diverge. An example of this could be a takeover, where one set of clients is exposed to the target and another set is exposed to the acquirer; and
5. Differences between the stewardship policies of managers and their clients.

LGIM

LGIM have refrained from directly commenting on which of the conflicts of interest, detailed above, they are impacted by within the selected funds. This refusal for a direct comment on the selected funds was raised by trustees. In place of providing a direct response, LGIM referred Trustees to their conflicts of interest policy, which includes several examples of conflicts and how these might be managed.

This is available here:

<https://www.lgim.com/api/epi/documentlibrary/view?id=1116980ea5bf43fa9801c212be73f487&old=literature.html?cid=>

The Trustees have received a copy of the conflicts of interest policy.

Newton

Newton confirmed that they were affected by a conflict of interest in relation to the Newton Multi-Asset Global Balanced Fund's holding in Prudential Financial. Newton confirmed that in the event of a potential material conflict of interest between Newton, the investee company and/or a client, the recommendation of the voting service provider will take precedence. In this case, Newton voted in line with management on the shareholder proposals as per the voting service provider's recommendation as the shareholder proposals were deemed not in shareholders' best interest.

The full report can be found here: <https://www.newtonim.com/uk-institutional/insights/articles/responsible-investment-report-q2-2022/>

7. Implementation of policies contained within the Scheme's SIP – DC section

This section sets out the various policies within the Scheme's SIP (that was in place as at 31 December 2022 – i.e. the end of the Scheme year) and the actions that the Trustees have taken in respect of them over the year to this date. We have noted a few actions that were taken following the Scheme year-end that we feel are of relevance.

SIP policy	Comments
1. Investment processes and governance	
<p><u>Investment strategy</u></p> <p>The Trustees are required by law to act prudently and in accordance with investment advice received (from suitably qualified and experienced professionals) when developing or reviewing the investment strategies for Scheme.</p> <p>The Trustees undertake regular reviews of the Scheme's DC investment strategy (both at a strategic level and at a fund level) and, aim to achieve good member outcomes by using a range of collective investment funds which give:</p> <ul style="list-style-type: none"> • The ability to diversify between one or more collective investment funds to assist in managing investment risk; • Access to collective investment funds where the charges levied are competitive against the wider retail pension investment market, as it is the return (net of costs), which is important to members; • Competitive net investment returns thereby offering overall value for money to DC members; <p>The Trustees are not able to run bespoke investment strategies for each member of the Scheme to reflect their own needs and aspirations. The Trustees will however be reviewing their options in this regard in the near future.</p>	<p><u>Investment strategy</u></p> <p>During the year, the DC section collectively was reviewed, and the Trustees took the decision to transfer the assets to The People's Pension following the year-end.</p> <p>The Trustees received advice from Quantum Advisory regarding this.</p>
<p><u>Performance monitoring</u></p> <p>The Trustees review the performance of the Scheme's DC investments on a frequent basis. The Trustees may undertake additional reviews as deemed appropriate.</p>	<p><u>Performance monitoring</u></p> <p>Regular asset statements were provided by the investment managers.</p>

<p>The Trustees consider the extent to which the net of costs investment returns achieved by LGIM and Newton to assess how they are performing against Schemes needs, their rivals and suitable independent benchmarks. The Trustees reserve the right to replace the investment managers if they feel their net returns are not acceptable.</p>	<p>The Trustees have received annual performance monitoring reports and consider the overall performance of their investment managers as satisfactory.</p>
<p>Statement of Investment Principles</p> <p>The Trustees review the SIP at least once a year and publish any update(s) to the website.</p>	<p>Statement of Investment Principles</p> <p>The SIP was last updated during October 2020. This SIP has been published online. There have been no changes to the investment strategy since 2020, therefore no updates have been required within the 2022.</p>
<p>2. Responsible Investment</p>	
<p>The Trustees ensure ESG factors are being considered by the investment managers (where relevant) and have considered the extent to which the fund managers analyse and integrate ESG risks and opportunities into their investment process.</p> <p>The Trustees monitor, on an ongoing basis, the investment managers' approach to considering and integrating ESG into their investment processes.</p> <p>The Trustees expect the investment managers to use their rights (including voting rights) wholly in the best economic interests of their investors (including our Scheme members).</p>	<p>The Scheme's investment managers are both signatories to the United Nations Principles for Responsible Investment ("UNPRI"). Newton and LGIM have both been rated A+ by the UNPRI.</p> <p>The Trustees have reviewed the voting activity of the Scheme's investment managers in section 5 of this statement and are generally happy with the actions the investment managers have taken.</p>
<p>3. Risk management</p>	
<p>The Trustees have identified a range of risks within the SIP and seek to minimise them by regularly monitoring the investment funds. These risks include:</p> <ul style="list-style-type: none"> • Asset allocation risk • Investment manager risk • Concentration/market risk • Liquidity risk • Currency risk • Loss of investment • Inflation risk • Conversion risk • Retirement income risk 	<p>The Trustees monitored the investments and did not have any concerns over performance, asset allocation of the investment managers.</p>

Appendix 1 – Investment manager voting policies and procedures

LGIM voting policies and process

LGIM's Investment Stewardship team make all voting decisions, in accordance with LGIM's Corporate Governance & Responsible Investment and Conflicts of Interest policy documents, which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company.

LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and strategic decisions are not outsourced. The use of ISS recommendations is purely to augment LGIM's own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of IVIS to supplement the research reports that are received from ISS for UK companies when making specific voting decisions.

To ensure the proxy provider votes in accordance with LGIM's position on ESG, LGIM have put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what LGIM consider are minimum best practice standards which LGIM believe all companies globally should observe, irrespective of local regulation or practice. LGIM retain the ability in all markets to override any voting decisions, which are based on their custom voting policy. This may happen where engagement with a specific company has provided additional information that allows LGIM to apply a qualitative overlay to their voting judgement. LGIM have strict monitoring controls to ensure their votes are fully and effectively executed in accordance with their voting policies by their service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform them of rejected votes which require further action.

BNY Mellon (Newton)

Newton's head of responsible investment ("RI") is responsible for the decision-making process of the RI team when reviewing meeting resolutions for contentious issues. They do not maintain a strict proxy voting policy. Instead, Newton prefer to consider a company's individual circumstances, their investment rationale and any engagement activities together with relevant governing laws, guidelines and best practices. Contentious issues may be referred to the appropriate industry analyst for comment and, where relevant, they may confer with the company or other interested parties for further clarification or to reach a compromise or to achieve a commitment from the company.

Voting decisions are approved by either the deputy chief investment officer or a senior investment team member (such as the head of global research). For the avoidance of doubt, all voting decisions are made by Newton. It is only in the event of a material potential conflict of interest between Newton, the investee company and/or a client that the recommendations of the voting service used (ISS) will take precedence. It is also only in these circumstances when they may register an abstention given their stance of either voting in favour or against any proposed resolutions.

Newton employ a variety of research providers that aid in the vote decision-making process, including proxy advisors such as ISS. They utilise ISS for the purpose of administering proxy voting, as well as its research reports on individual company meetings.

Appendix 2 – Most significant votes

The tables below set out a cross section of significant votes undertaken by the investment managers of the funds held by the Scheme. Information on further significant votes undertaken by the Scheme’s investment managers has been reviewed by the Trustees through their investment adviser.

BNY Mellon UK Income Fund

Company Name	Informa Plc	Citigroup Inc.
Date of vote	16 June 2022	26 April 2022
Summary of the resolution	Approve Remuneration Report	Ratify Auditors; Improve Human Rights Standards or Policies
Stewardship priority	Governance	Governance and Social
Size of the holding (% of portfolio)	2.21	1.73
How the firm voted	Against	AGAINST management proposal and FOR the shareholder proposal
Was the vote against management and was this communicated beforehand?	Yes. The vote was communicated beforehand	Yes. The vote was not communicated beforehand
On which criteria has the vote been deemed as ‘significant’?	The level of shareholder dissent merits this vote as significant.	This vote demonstrates the increased tendency of shareholders to vote in support of such proposals.
Outcome of the vote	71.31% AGAINST Remuneration Report	7% AGAINST Ratify Auditor, 28.5% FOR Improve Human Rights Standards or Policies
Does the trustee/ asset manager intend to escalate stewardship efforts?	The vote outcome is a clear indication of persistent shareholder dissatisfaction with pay practices at the company. The dissent recorded is one of the largest and the company will need to address shareholders' concerns. BNY Mellon expect to engage with the company and continue exercising future votes in support of their views surrounding the alignment of pay and performance.	The vote result implies that few investors share BNY Mellon’s concerns surrounding independence of the auditor, however, the near 30% support for the shareholder proposal cannot be ignored by the company and is likely to initiate an internal and external discussion.

Source: BNY Mellon

BNY Mellon UK Equity Fund

Company Name	Barclays Plc	Compass Group Plc
Date of vote	4 May 2022	3 February 2022
Summary of the resolution	Management Climate-Related Proposal	Approve Remuneration Policy. Elect Directors x6.
Stewardship priority	Environment	Governance
Size of the holding (% of portfolio)	2.81	2.24
How the firm voted	Against	Against
Was the vote against management and was this communicated beforehand?	The vote was against management, but not communicated beforehand.	The vote was against management, but not communicated beforehand.
On which criteria has the vote been deemed as 'significant'?	BNY Mellon determined this to be a significant vote owing to the increasing incidents financial institutions face in relation to climate change and the media attention that this subject is attracting.	BNY Mellon recognise this as a significant vote given the relatively high level of dissent from shareholders.
Outcome of the vote	19.19% AGAINST Climate-Related Proposal	32.5% AGAINST Remuneration Policy. 1.5%, 0.7%, 2.4%, 0.7%, 0.5%, 10.9% AGAINST Election of Directors.
Does the trustee/ asset manager intend to escalate stewardship efforts?	The dissent on the proposal is significant and the company is expected to address shareholder concerns by initiating discussions. BNY Mellon will continue to engage with the company to encourage progress and provide feedback.	In terms of UK best practice guidance, votes against in excess of 20% warrants the company to engage with its largest shareholders to understand concerns. With 32.5% of votes against against the remuneration policy, we expect the company to address shareholders' concerns.

Source: BNY Mellon

BNY Mellon US Opportunities Fund Newton

Company Name	Amazon.com, Inc.	Planet Fitness, Inc.
Date of vote	25 May 2022	2 May 2022
Summary of the resolution	Elect Director x2, Ratify Auditors, Advisory Vote to Ratify Named Executive Officers' Compensation, Human Rights Risk Assessment, Recycling, Labor Issues - Discrimination and Miscellaneous, Improve Human Rights Standards or Policies, Political Lobbying Disclosure, Facility Safety, Gender Pay Gap, Human Rights Risk Assessment	Elect Director, Advisory Vote to Ratify Named Executive Officers' Compensation
Stewardship priority	Governance, Social	Governance
Size of the holding (% of portfolio)	5.53	2.87
How the firm voted	AGAINST management proposals and FOR the shareholder proposals	AGAINST
Was the vote against management and was this communicated beforehand?	The vote was against management, but not communicated beforehand.	The vote was against management, but not communicated beforehand.
On which criteria has the vote been deemed as 'significant'?	Amazon received many and varied shareholder resolutions, the subjects of which the company has been subject to significant stakeholder scrutiny.	This is determined to be a significant vote given that a near majority of shareholders voted against the company's remuneration arrangements
Outcome of the vote	5.86%, 19% AGAINST Elect Director, 3.5% AGAINST Ratify Auditor, 38.35% AGAINST Advisory Vote to Ratify Named Executive Officers' Compensation, 34.98% FOR Human Rights Risk Assessment, 42.52% FOR Recycling, 21.57% FOR Labour Issues - Discrimination and Miscellaneous, 33.7% FOR Improve Human Rights	35.5% AGAINST Elect Director, 48.9% AGAINST Advisory Vote to Ratify Named Executive Officers' Compensation

	Standards or Policies, 41.12% FOR Political Lobbying Disclosure, 38.25% FOR Facility Safety, 25.05% FOR Gender Pay Gap, 0.21% FOR Human Rights Risk Assessment	
Does the trustee/ asset manager intend to escalate stewardship efforts?	The average vote outcome for many of the shareholder resolutions being approx. 30% in favour implies that a significant number of investors' retain concerns with certain aspects of how the company manages its exposure to matters such as human rights and political lobbying. BNY Mellon expect to continue engaging with the company and voting actively in support of improvements. In addition, the significant dissent around pay reflects the dissatisfaction of shareholders and is likely to initiate internal and external discussions around the same.	The level of opposition to the executive pay arrangements will not go unnoticed by the board. Where BNY Mellon recognise a misalignment between executives' potential reward and long-term performance, they will continue to vote against similar proposals. In addition, the combination of a near majority of shareholders voting against the remuneration arrangements and the chair of the remuneration committee is a rare occurrence.

Source: BNY Mellon

BNY Mellon Sustainable European Opportunities Fund Newton

Company Name	Zurich Insurance Group AG	Sanofi
Date of vote	6 April 2022	3 May 2022
Summary of the resolution	Other Business	Elect Director, Advisory Vote to Ratify Named Executive Officers' Compensation, Approve Remuneration Policy
Stewardship priority	Governance	Governance
Size of the holding (% of portfolio)	4.44	4.00
How the firm voted	Against	Against
Was the vote against management and was this communicated beforehand?	Yes. The vote was not communicated beforehand	Yes. The vote was not communicated beforehand

On which criteria has the vote been deemed as 'significant'?	This highlights a significant insight into the Swiss market and its fundamental approach to protecting the interests of minority investors.	This vote was considered significant given the unusual high level of shareholder dissent against election of a director.
Outcome of the vote	Not reported	22.4% AGAINST Elect Director, 8.26% AGAINST Compensation of CEO, 11% AGAINST Compensation Policy of CEO
Does the trustee/ asset manager intend to escalate stewardship efforts?	This is a routine resolution item proposed by Swiss companies. Without comfort provided as to the nature of matters that may be raised and approved under this item, BNY Mellon will continue to vote against its approval.	BNY Mellon expect that the board will seek to address investor concern by either providing clear justification for the individual director's membership of the remuneration committee or for him to step off the committee. When put into context of director elections, it is rare for an individual to attract such a high level of dissent.

Source: BNY Mellon

BNY Mellon Multi-Asset Global Balanced Fund Newton

Company Name	Microsoft Corporation	Alphabet Inc.
Date of vote	13 December 2022	1 June 2022
Summary of the resolution	Ratify Auditors	Political Lobbying Disclosure, Report on Climate Change, Community -Environment Impact, Racial Equity and/or Civil Rights Audit, Approve Recapitalization Plan for all Stock to Have One-vote per Share, Human Rights Risk Assessment, Miscellaneous Proposal - Social, Human Rights Risk Assessment.
Stewardship priority	Governance	Environment, Social and Governance
Size of the holding (% of portfolio)	3.60	2.43
How the firm voted	Against	Against Management and for shareholder proposals

Was the vote against management and was this communicated beforehand?	Yes. The vote was not communicated beforehand	Yes. The vote was not communicated beforehand
On which criteria has the vote been deemed as 'significant'?	While the level of opposition to the long-tenured auditor was minor, BNY Mellon expect this to increase as audit quality rises up the agenda for investors.	The company was subject to a high number of shareholder proposals surrounding both governance and social aspects where the company is well regarded by investors as requiring improvements.
Outcome of the vote	4.61% AGAINST Ratify Auditors	18% FOR Political Lobbying Disclosure, 17.89% FOR Report on Climate Change, 21.5% FOR Community -Environment Impact, 21.24% FOR Racial Equity and/or Civil Rights Audit, 31.6% FOR Approve Recapitalization Plan for all Stock to Have One-vote per Share, 16.2% FOR Human Rights Risk Assessment, 18.6% FOR Algorithm disclosure, 21.89% FOR Human Rights Risk Assessment
Does the trustee/ asset manager intend to escalate stewardship efforts?	The vote outcome implies that a few investors share BNY Mellon's concern around auditor independence and effectiveness. However, BNY Mellon will continue to exercise voting rights to encourage auditor rotation.	Given that a majority of the voting rights are controlled by the company's executives, the vote results for many of the resolutions show a majority of the company's minority shareholders retain fundamental concerns. Near 20% votes in favour of all shareholder proposals is a clear indication as to where the company is expected to make improvements to allay such concerns.

Source: BNY Mellon

BNY Mellon Asian Opportunities Fund Newton

Company Name	Tencent Holdings Limited	Shenzhen Inovance Technology Co., Ltd.
Date of vote	18 May 2022	12 August 2022

Summary of the resolution	Approve Issuance of Equity or Equity-Linked Securities without Pre-emptive Rights, Authorize Reissuance of Repurchased Shares	Amend Articles/Bylaws/Charter - Organization-Related X6, Approve Omnibus Stock Plan X3, Approve Qualified Employee Stock Purchase Plan.
Stewardship priority	Governance	Governance
Size of the holding (% of portfolio)	4.97	3.36
How the firm voted	Against	Against
Was the vote against management and was this communicated beforehand?	Yes. The vote was not communicated beforehand	Yes. The vote was not communicated beforehand
On which criteria has the vote been deemed as 'significant'?	BNY Mellon deemed the votes in relation to the proposed share issuances as significant given that a majority of the company's minority investors expressed their concern formally.	The significance of the meeting was denoted by the lack of necessary information being made available to shareholders that do not attend the physical meeting and also the lack of transparency surrounding the results of the meeting.
Outcome of the vote	29.23% AGAINST Approve Issuance of Equity or Equity-Linked Securities without Pre-emptive Rights, 29.6% AGAINST Authorize Reissuance of Repurchased Shares	Not available
Does the trustee/ asset manager intend to escalate stewardship efforts?	The vote outcome provides a clear message from the minority shareholders of their sensitivities surrounding unnecessarily diluting their value and control by way of issuing shares to favoured investors.	The company failed to disclose the results making it difficult for shareholders to identify the outcome and the consequent implications. We will continue to register our concern via voting action.

Source: BNY Mellon

LGIM Global Equity (60:40) Fund

Company Name	Royal Dutch Shell Plc	BP Plc
Date of Vote	25 May 2022	12 May 2022
Summary of the resolution	Approve the Shell Energy Transition Progress Update	Approve Net Zero - From Ambition to Action Report

Stewardship priority	Environment	Environment
Size of the holding (% of portfolio)	4.14	1.87
How the firm voted	Against	For
Was the vote against management and was this communicated beforehand?	Voted in line with management	Voted in line with management
On which criteria has the vote been deemed as 'significant'?	LGIM considers this vote significant as it is an escalation of their climate-related engagement activity and public call for high quality and credible transition plans to be subject to a shareholder vote.	LGIM considers this vote significant as it is an escalation of their climate-related engagement activity and public call for high quality and credible transition plans to be subject to a shareholder vote.
Outcome of the vote	79.9% For	88.5% For
Does the trustee/ asset manager intend to escalate stewardship efforts?	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.

Source: LGIM