

Implementation Statement

The A Bilbrough & Co Limited Pension & Life Assurance Scheme

Purpose of this statement

This implementation statement has been produced by the Trustees of the **A Bilbrough & Co Limited Pension & Life Assurance Scheme (“the Scheme”)** to set out the following information over the year to **31 December 2024**:



how the Trustees’ policies on exercising rights (including voting rights) and engagement activities have been followed over the year;



the voting activity undertaken by the Scheme’s investment managers on behalf of the Trustees over the year, including information regarding the most significant votes;

Stewardship priorities

The Trustees have not set stewardship priorities for the Scheme as at 31 December 2024. The Trustees invest through pooled investment vehicles and stewardship responsibilities are delegated to the investment managers. Given this, and the fact that the Scheme’s assets represent a relatively small proportion of the total assets invested in the funds, the Trustees believe that setting stewardship priorities and engaging with managers on them is unlikely to have a material impact on financial outcomes for the Scheme. The Trustees believe that the fund selection and the general approach to stewardship used within those funds is likely to be more material to financial outcomes than engagement with the investment managers on the Trustees’ own stewardship priorities.

The Trustees understand that they are therefore constrained by the policies of the managers. However, the Trustees take stewardship and ESG factors into account as part of manager/fund selection and monitor these characteristics with the assistance of their investment consultant.

How voting and engagement/stewardship policies have been followed

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

- At the year-end, the investment managers were Legal & General Investment Management (“LGIM”) and CBRE Global Investors (“CBRE”). The Trustees regularly consider the performance of the funds held with each investment manager and any significant developments that arise, as notified by their investment consultant.
- Company shares with voting rights are accessed through equity and multi-asset funds provided by LGIM.

- As noted above, the Scheme invests entirely via pooled funds and the Trustees therefore delegate responsibility for carrying out voting and engagement activities to the Scheme's investment managers. The Trustees, as advised by their investment consultant, consider the stewardship and engagement activities of the funds to be suitable and consistent with the financial objectives of the funds held. A summary of some of the key engagements and stewardship policies for LGIM, as the Scheme's main investment manager, can be found in the link below:

<https://www.lgim.com/uk/en/responsible-investing/investment-stewardship/>

- The Trustees, through their investment consultant, reviewed information on the stewardship and engagement activities of their investment managers during the year, and were satisfied that their policies were reasonable, and no remedial action was required at that time.
- Having reviewed the above in accordance with their policies, the Trustees are comfortable the actions of the fund manager is in alignment with the Scheme's stewardship policies, as set out in the Statement of Investment Principles dated January 2025.

Agreed by the Trustees of the A Bilbrough & Co Limited Pension & Life Assurance Scheme on 1 April 2025

Appendix - voting undertaken on behalf of the Trustees

The Scheme's equity investments are all held through pooled funds. The investment managers of these funds vote on behalf of the Trustees.

This section provides a summary of the voting activity undertaken by the investment managers on behalf of the Trustees over the year to **31 December 2024**, together with information on any key voting priorities and information on the use of proxy voting advisors by the managers.

The LGIM Absolute Return Bond Fund, LGIM Sterling Liquidity Fund, LGIM Active Corporate Bond All Stocks Fund and LGIM LDI funds have no voting rights and limited ability to engage with key stakeholders given the nature of the mandates. There is no CBRE voting data as CBRE manages indirect private real estate portfolios on behalf of separate accounts and pooled vehicles, with limited, if any, voting rights.

The Scheme is invested in both the LGIM All World Equity Index Fund and the LGIM All World Equity Index (GBP Hedged) Fund which have the same underlying holdings. All voting data is therefore reflective of both funds.

Fund	% of votes cast as a proportion of total possible votes	Does the manager use a proxy voting advisor?	Key voting priorities
LGIM All World Equity Index Funds	99.8%	A proxy-voting advisor (ISS) is used by LGIM, but LGIM actively direct a significant proportion of clients' voting rights.	LGIM have set the following stewardship themes:
LGIM Dynamic Diversified Fund	99.8%		<ul style="list-style-type: none"> - Climate - Nature - People - Health - Governance - Digitisation

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2022 requires information on significant votes carried out on behalf of the Trustees over the year to be set out. The guidance does not currently define what constitutes a "significant" vote. However, subsequent guidance states that a significant vote is likely to be one that is linked to one or more of a scheme's stewardship priorities / themes.

Given that the Trustees have decided not to set stewardship priorities / themes because the Scheme solely invests through pooled investment vehicles, the Trustees have delegated the determination of what constitutes a significant vote to their investment managers. The Trustees have not communicated voting preferences to their investment managers over the period, as the Trustees have not developed a specific voting policy.

The relevant managers have provided a selection of votes which they believe to be significant and, in the interest of concise reporting, the tables below show three of these votes for each fund. The examples provided are intended to cover a range of themes to represent the most significant votes cast on behalf of the Scheme.

Legal & General Investment Management

In determining significant votes, LGIM's investment stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association ("PLSA"). This guidance dictates significant votes include, but are not limited to:

- A high-profile vote which has such a degree of controversy that there is high client and/or public scrutiny;
- Significant client interest for a vote, directly communicated by clients to the investment stewardship team at LGIM's Stakeholder roundtable event, or where LGIM notes there has been a significant increase in requests from clients on a particular vote;
- A sanction vote as a result of a direct or collaborative engagement; and
- A vote linked to an LGIM engagement campaign.

LGIM All World Equity Index Fund / LGIM All World Equity Index (GBP Hedged) Fund

	Vote 1	Vote 2	Vote 3
Company name	Apple Inc.	Microsoft Corporation	Amazon.com Inc.
Date of vote	28 February 2024	10 December 2024	22 May 2024
Approximate size of fund's holding as at the date of the vote (as % of portfolio) *	4.0%	3.9%	2.2%
Summary of the resolution	Report on Risks of Omitting Viewpoint and Ideological Diversity from Equal Employment Opportunities (EEO) Policy	Report On AI Data Sourcing Accountability	Report on Customer Due Diligence
How the manager voted	Against	For	For
Rationale for the voting decision	LGIM voted against the resolution because in their view the company appeared to be providing shareholders with sufficient disclosure around its diversity and inclusion efforts and non-discrimination policies. Secondly, including viewpoint and ideology in EEO policies did not appear to be a standard industry practice.	LGIM voted for this resolution because the company was facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While the company had strong disclosures on its approach to responsible AI and related risks, LGIM believed shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models	LGIM voted for this proposal as enhanced transparency over the material risks to human rights is key to understanding the company's functions and organisation.
Outcome of the vote	Failed	Failed	Failed

	Vote 1	Vote 2	Vote 3
Implications of the outcome	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.		
Criteria on which the vote is considered "significant"	LGIM views diversity as a financially material issue for their clients, with implications for the assets LGIM manage on their behalf.	LGIM viewed this shareholder resolution as significant due to the relatively high level of support received.	LGIM viewed this shareholder resolution as significant because Amazon are one of the largest companies in the world. LGIM also holds the view that increased transparency on the topic should be maintained as their coverage and reporting of risks fall short of their baseline expectations over AI, in terms of internal education and risk management.

Source: LGIM.

* Approximate size of fund's holding is shown only for the All World Equity Index Fund. The size of the holdings for the All World Equity Index (GBP Hedged) Fund varies marginally due to the currency hedging in the Fund.

LGIM: Dynamic Diversified Fund

	Vote 1	Vote 2	Vote 3
Company name	Royal Dutch Shell Plc.	Prologis. Inc.	Unilever Plc.
Date of vote	21 May 2024	9 May 2024	1 May 2024
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.3%	0.3%	0.3%
Summary of the resolution	Approve the Shell Energy Transition Strategy	Elect Director Hamid R. Moghadam	Approve Climate Transition Action Plan
How the manager voted	Against	Against	For
Rationale for the voting decision	<p>LGIM acknowledged the progress made by Shell in respect of climate related disclosures over recent years, and they viewed positively the commitments made to reduce emissions from operations and their oil products, as well as the strong position taken on tackling methane emissions.</p> <p>However, in light of the revisions made to the Net Carbon Intensity targets,</p>	<p>LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns, therefore voted against the resolution.</p>	<p>LGIM acknowledged the disclosure of scope 1, 2 and material scope 3 emissions and short, medium and long-term emissions reduction targets consistent with a 1.5 degree Celsius Paris goal.</p>

	Vote 1	Vote 2	Vote 3
	coupled with the ambition to grow its gas and liquified natural gas business this decade, LGIM expected the company to better demonstrate how these plans are consistent with an orderly transition to net-zero emissions by 2050.		
Outcome of the vote	Passed	Passed	Passed
Implications of the outcome	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.		
Criteria on which the vote is considered "significant"	<p>LGIM is publicly supportive of so called "Say on Climate" votes. They expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile of such votes, LGIM deem such votes to be significant, particularly when LGIM votes against the transition plan.</p>	<p>LGIM considered this vote to be significant as it is in application of an escalation of their vote policy on the topic of the combination of the board chair and CEO.</p>	<p>LGIM is publicly supportive of so called "Say on Climate" votes. They expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile of such votes, LGIM deem such votes to be significant, particularly when LGIM votes against the transition plan.</p>

Source: LGIM.