

Implementation Statement, covering the Scheme Year from 1 January 2024 to 31 December 2024 (the “Scheme Year”)

The Trustees of the Lazard London Staff Pension Scheme (the “Scheme”) are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed the voting and engagement policies in its Statement of Investment Principles (“SIP”) during the Scheme Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, Trustees (including the most votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

In preparing the Statement, the Trustees have had regard to the [guidance](#) on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions (“DWP’s guidance”) in June 2022.

1. Introduction

No changes were made to the voting and engagement policies in the SIP during the Scheme Year. The last time these policies were formally reviewed was September 2024 (though no changes were made to the policies following this review).

The Trustees have, in their opinion, followed the Scheme’s voting and engagement policies during the Scheme Year.

2. Voting and engagement

The Trustees have delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement. These policies are:

- Lazard Asset Management [Proxy Voting – Policy and Procedures Overview](#)
- LGIM [UK Corporate Governance and Responsible Investment Policy](#)
- Ruffer [Responsible Investment Policy](#)

However, the Trustees takes ownership of the Scheme’s stewardship by monitoring and engaging with managers and escalating as necessary as detailed below.

As part of its advice on the selection and ongoing review of the investment managers, the Scheme’s investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers’ approaches to voting and engagement.

In June 2024, the Trustees held an investment manager monitoring meeting, to which the Scheme’s investment managers (Insight, LAM, LGIM and Ruffer) were invited. Among other topics, the managers spoke to the Trustees about the ESG risk management processes relevant to the funds in which the Scheme invests, and the Trustees had the opportunity to ask questions of the managers regarding their processes. The Trustees were satisfied with the answers provided by the managers.

In November, the Trustees received training from its investment adviser on LCP’s Stewardship Dashboard tool. The tool provides information on investment managers’ voting activity in relation to company shares they hold on the trustees’ behalf, alongside the rationale behind their votes. The Trustees discussed the managers’ voting records on Nvidia, one of the largest positions held across both equity portfolios (managed by LAM and LGIM). The Trustees also receive quarterly updates on ESG and stewardship-related issues from LCP.

Following the introduction of DWP’s guidance, in 2022 the Trustees agreed stewardship priorities to focus monitoring and engagement with their investment managers on specific ESG factors. The priorities selected for the Scheme were: Business Ethics and Corporate Transparency. These priorities remained in place throughout the Scheme Year.

The Trustees are conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve. Therefore, the Trustees aim to have an ongoing dialogue with managers to clarify expectations and encourage improvements.

The Trustees also reviewed reports from its managers on voting and engagement activities undertaken on their behalf.

3. Description of voting behaviour during the Scheme Year

All of the Trustees' holdings in listed equities are within pooled funds and the Trustees have delegated to its investment managers the exercise of voting rights. Therefore, the Trustees are not able to direct how votes are exercised and the Trustees themselves have not used proxy voting services over the Scheme Year. However, the Trustees monitor managers' voting and engagement behaviour on an annual basis and would challenge managers if their activity fell significantly below the Trustees' expectations.

In this section we have sought to include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, PLSA Vote Reporting template and DWP's guidance, on the Scheme's funds that hold equities as follows:

- Lazard Asset Management ("LAM") Global Sustainable Equity Fund;
- Legal & General Investment Management ("LGIM") Low Carbon Transition Global Equity Index Fund; and
- Ruffer Absolute Return Fund.

In addition to the above, the Trustees contacted the Scheme's asset managers that do not hold listed equities, to ask if any of the assets held by the Scheme had voting opportunities over the Scheme Year. None of the other funds that the Scheme invested in over the Scheme Year held any assets with voting opportunities.

3.1 Description of the voting processes

For assets with voting rights, the Trustees relies on the voting policies which its managers have in place.

Lazard Asset Management

In response to the Trustees' questions, LAM provided the following wording to describe its voting practices.

What is your policy on consulting with clients before voting?

"Lazard manages assets for a variety of clients worldwide, including institutions, financial intermediaries, sovereign wealth funds, and private clients. To the extent that proxy voting authority is delegated to Lazard, Lazard's general policy is to vote proxies on a given issue in the same manner for all of its clients. As part of this, Lazard do not typically consult with clients before voting. This Policy is based on the view that Lazard, in its role as investment adviser, must vote proxies based on what it believes (i) will maximize sustainable shareholder value as a long-term investor; (ii) is in the best interest of its clients; and (iii) the votes that it casts are intended in good faith to accomplish those objectives. As active managers, Lazard are committed to fully exercising their role as stewards of capital."

Please provide an overview of your process for deciding how to vote.

"Lazard's policy is to vote proxies on a given issue in the same manner for all clients. With full proxy authority, Lazard attempts to vote on 100% of the portfolio on a best-effort basis. This is subject to market restrictions due to share-blocking, custodial support, and the availability of timely research on agenda items. Lazard has approved specific proxy voting guidelines regarding various common proxy proposals. These guidelines set out whether Lazard professionals should vote for or against a specific agenda item in every instance or whether an issue should be or considered on a case-by-case basis."

If an investment professional seeks to vote in a manner that contradicts the guidelines, which is rare, Lazard's Proxy Committee must approve the vote. The investment professional must provide the committee with a detailed rationale for their recommendation, and the Proxy Committee will then determine whether or not to accept and apply that vote recommendation to the specific meeting's agenda. Case-by-case agenda items are evaluated by Lazard's investment professionals based on their research of the company and evaluation of the specific proposal. Lazard's approach is based on the view that Lazard, in its role as investment manager, must vote proxies based on what it believes will:

- a) maximize sustainable shareholder value as a long-term investor and;
- b) is in the best interest of its clients.”

How, if at all, have you made use of proxy voting services?

“Lazard currently subscribes to advisory and other proxy voting services provided by Institutional Shareholder Services Inc. (“ISS”) and Glass, Lewis & Co. (“Glass Lewis”). These proxy advisory services provide independent analysis and recommendations regarding various companies’ proxy proposals. While this research serves to help improve Lazard’s understanding of the issues surrounding a company’s proxy proposals, Lazard’s Portfolio Manager/Analysts and Research Analysts (collectively, “Portfolio Management”) are responsible for providing the vote recommendation for a given proposal except when the Conflicts of Interest policy applies. ISS provides additional proxy-related administrative services to Lazard. ISS receives on Lazard’s behalf all proxy information sent by custodians that hold securities on behalf of Lazard’s clients and sponsored funds. ISS posts all relevant information regarding the proxy on its password-protected website for Lazard to review, including meeting dates, all agendas and ISS’ analysis.

The Proxy Administration Team reviews this information on a daily basis and regularly communicates with representatives of ISS to ensure that all agendas are considered and proxies are voted on a timely basis. ISS also provides Lazard with vote execution, recordkeeping and reporting support services. Members of the Proxy Committee, along with members of the Legal & Compliance Team, conducts periodic due diligence of ISS and Glass Lewis consisting of an annual questionnaire and, as appropriate, on site visits.”

What process did you follow for determining the “most significant” votes?

“In this instance, Lazard have considered most significant votes in the following order: firstly, any “Say on Climate” management proposal, secondly, a select group share shoulder proposals where Lazard voted for the proposal and against management, thirdly, any votes considered controversial by Lazard’s investment professionals, and lastly any managerial proposal where Lazard voted against management. The resultant proposal buckets are then ranked by the company’s average holding within the fund/or portfolio over the period under review to identify the top 10 votes for disclosure in the template.

Lazard’s voting approach is based on Lazard’s global governance principles which lays out Lazard’s expectations of company management. They are founded on the belief that long-term shareholder value is enhanced through a more comprehensive assessment of stakeholder management. This includes governance issues such as remuneration policies, independence of appointed board members, human capital issues including employees, suppliers, their customers, and the community, as well as natural capital issues, including its dependency and use of natural resources and its approach to manage climate change risk. Lazard believe that they must vote in a manner that (i) will maximize sustainable shareholder value as a long-term investor; (ii) is in the best interest of its clients; and (iii) the votes that it casts are intended in good faith to accomplish those objectives.”

Are you currently affected by any of the following five conflicts, or any other conflicts, across any of your holdings?

- 1) The asset management firm overall has 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 hold 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 have 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) There is 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.
- 5) There are differences between the stewardship policies of managers and their clients.

“Lazard’s general Proxy Voting Policy recognizes that there may be times when meeting agendas or proposals may create the appearance of a material conflict of interest for Lazard. Lazard will look to alleviate the potential conflict by voting according to pre-approved guidelines. In conflict situations where a pre-approved guideline is to vote case-by-case, Lazard will vote according to the recommendation of one of the proxy voting services Lazard retains to provide independent analysis.

This Policy and related procedures implemented by Lazard are designed to address potential conflicts of interest posed by Lazard’s business and organizational structure. Examples of such potential conflicts of interest are:

- 1) Lazard Frères & Co. LLC (“LF&Co.”), Lazard’s parent company and a registered broker-dealer, or a financial

advisory affiliate, has a relationship with a company the shares of which are held in accounts of Lazard clients, and has provided financial advisory or related services to the company with respect to an upcoming significant proxy proposal (i.e., a merger or other significant transaction);

2) Lazard serves as an investment adviser for a company the management of which supports a particular proposal;

3) Lazard serves as an investment adviser for the pension plan of an organization that sponsors a proposal; or

4) A Lazard employee who would otherwise be involved in the decision-making process regarding a particular proposal has a material relationship with the issuer or owns shares of the issuer.

General Policy

All proxies must be voted in the best long-term interest of each Lazard client, without consideration of the interests of Lazard, LF&Co. or any of their employees or affiliates. The Proxy Administration Team is responsible for all proxy voting in accordance with this Policy after consulting with the appropriate member or members of Portfolio Management, the Proxy Committee and/or the Legal & Compliance Department. No other employees of Lazard, LF&Co. or their affiliates may influence or attempt to influence the vote on any proposal. Violations of this Policy could result in disciplinary action, including letter of censure, fine or suspension, or termination of employment. Any such conduct may also violate state and Federal securities and other laws, as well as Lazard's client agreements, which could result in severe civil and criminal penalties being imposed, including the violator being prohibited from ever working for any organization engaged in a securities business. Every officer and employee of Lazard who participates in any way in the decision-making process regarding proxy voting is responsible for considering whether they have a conflicting interest or the appearance of a conflicting interest on any proposal. A conflict could arise, for example, if an officer or employee has a family member who is an officer of the issuer or owns securities of the issuer. If an officer or employee believes such a conflict exists or may appear to exist, he or she should notify the Chief Compliance Officer immediately and, unless determined otherwise, should not continue to participate in the decision-making process.

Monitoring for Conflicts and Voting When a Material Conflict Exists

The Proxy Administration Team monitors for potential conflicts of interest that could be viewed as influencing the outcome of Lazard's voting decision. Consequently, the steps that Lazard takes to monitor conflicts, and voting proposals when the appearance of a material conflict exists, differ depending on whether the Approved Guideline for the specific item is clearly defined to vote for or against, or is to vote on a case-by-case basis. Any questions regarding application of these conflict procedures, including whether a conflict exists, should be addressed to Lazard's Chief Compliance Officer and General Counsel.

a) Where Approved Guideline Is For or Against

Lazard has an Approved Guideline to vote for or against regarding most proxy agenda/proposals. Generally, unless Portfolio Management disagrees with the Approved Guideline for a specific proposal, the Proxy Administration Team votes according to the Approved Guideline. It is therefore necessary to consider whether an apparent conflict of interest exists when Portfolio Management disagrees with the Approved Guideline. The Proxy Administration Team will use its best efforts to determine whether a conflict of interest or potential conflict of interest exists. If conflict appears to exist, then the proposal will be voted according to the Approved Guideline. In situations where the Approved Guideline is to vote Case by Case, Lazard will vote in accordance with the recommendations of one of the proxy voting services Lazard retains to provide independent analysis. Lazard also reserves its right to Abstain.

In addition, in the event of a conflict that arises in connection with a proposal for Lazard to vote shares held by Lazard clients in a Lazard mutual fund, Lazard will typically vote each proposal for or against proportion to the shares voted by other shareholders.

b) Where Approved Guideline Is Case-by-Case

In situations where the Approved Guideline is to vote case-by case and a material conflict of interest appears to exist, Lazard's policy is to vote the proxy item according to the majority recommendation of the independent proxy services to which we subscribe. Lazard also reserves its right to Abstain."

Legal & General Investment Management

In response to the Trustees' questions, LGIM provided the following wording to describe its voting practices.

What is your policy on consulting with clients before voting?

"LGIM's voting and engagement activities are driven by ESG professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for all our clients. LGIM's voting policies are reviewed annually and take into account feedback from LGIM's clients.

Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as LGIM continue to develop their voting and engagement policies and define strategic priorities in the years ahead. LGIM also take into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries."

Please provide an overview of your process for deciding how to vote.

"All decisions are made by LGIM's Investment Stewardship team and in accordance with LGIM's relevant 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. This ensures LGIM's stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies."

How, if at all, have you made use of proxy voting services over the year to 2023-12-31?

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 LGIM do not outsource any part of the strategic decisions. LGIM's use of ISS recommendations is purely to augment their own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services (IVIS) to supplement the research reports that LGIM receive from ISS for UK companies when making specific voting decisions.

To ensure LGIM's 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 we 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 vote decisions, which are based on LGIM's custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) 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 LGIM's service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform LGIM of rejected votes which require further action.

What process did you follow for determining the "most significant" votes?

"As regulation on vote reporting has recently evolved with the introduction of the concept of 'significant vote' by the EU Shareholder Rights Directive II, LGIM wants to ensure they continue to help their clients in fulfilling their reporting obligations. LGIM also believe public transparency of their vote activity is critical for their clients and interested parties to hold LGIM to account.

For many years, LGIM has regularly produced case studies and/ or summaries of LGIM's vote positions to clients for what LGIM deemed were 'material votes'. LGIM are evolving their approach in line with the new regulation and are committed to provide their clients access to 'significant vote' information.

In determining significant votes, LGIM's Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- *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 annual Stakeholder roundtable event, or where LGIM note a significant increase in requests from clients on a particular vote;*
- *Sanction vote as a result of a direct or collaborative engagement;*
- *Vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes.*

LGIM provide information on significant votes in the format of detailed case studies in LGIM's quarterly ESG impact report and annual active ownership publications.

The vote information is updated on a daily basis and with a lag of one day after a shareholder meeting is held. LGIM also provide the rationale for all votes cast against management, including votes of support to shareholder resolutions.

If you have any additional questions on specific votes, please note that [LGIM publicly discloses its vote instructions on our website.](#)

Are you currently affected by any conflicts, across any of your holdings?

"Please refer to the LGIM investment stewardship conflict of interest document at the following link: <https://www.lgim.com/api/epi/documentlibrary/view?id=1116980ea5bf43fa9801c212be73f487&old=literature.html?cid=>"

Please include here any additional comments which you believe are relevant to your voting activities or processes.

"It is vital that the proxy voting service are regularly monitored and LGIM do this through quarterly due diligence meetings with ISS. Representatives from a range of departments attend these meetings, including the client relationship manager, research manager and custom voting manager. The meetings have a standing agenda, which includes setting out their expectations, an analysis of any issues LGIM have experienced when voting during the previous quarter, the quality of the ISS research delivered, general service level, personnel changes, the management of any potential conflicts of interest and a review of the effectiveness of the monitoring process and voting statistics. The meetings will also review any action points arising from the previous quarterly meeting.

LGIM has its own internal Risk Management System (RMS) to provide effective oversight of key processes. This includes LGIM's voting activities and related client reporting. If an item is not confirmed as completed on RMS, the issue is escalated to line managers and senior directors within the organisation. On a weekly basis, senior members of the Investment Stewardship team confirm on LGIM's internal RMS that votes have been cast correctly on the voting platform and record any issues experienced. This is then reviewed by the Director of Investment Stewardship who confirms the votes have been cast correctly on a monthly basis. Annually, as part of LGIM's formal RMS processes the Director of Investment Stewardship confirms that a formal review of LGIM's proxy provider has been conducted and that they have the capacity and competency to analyse proxy issues and make impartial recommendations."

Ruffer

I In response to the Trustees' questions, Ruffer provided the following wording to describe its voting practices.

What is your policy on consulting with clients before voting?

"Ruffer, as a discretionary investment manager, does not have a formal policy on consulting with clients before voting. However, Ruffer can accommodate client voting instructions for specific areas of concerns or companies where feasible."

Please provide an overview of your process for deciding how to vote.

"Research Analysts are responsible for reviewing the relevant issues case by case and exercising their judgement based on their in-depth knowledge of the company and are supported by the RI team. We look to discuss with companies any relevant or material issue that may impact our investment. From time to time, we ask for additional information or an explanation to inform our voting decisions.

For non-contentious votes, with no disagreement between our voting intention and management and ISS recommendations, approval is required by any two non-connected Directors from the investment and client and distribution teams."

How, if at all, have you made use of proxy voting services?

"Ruffer's proxy voting advisor is Institutional Shareholder Services (ISS). We have developed our own internal voting guidelines, however we take into account issues raised by ISS, to assist in the assessment of resolutions and the identification of contentious issues. Although we are cognisant of proxy advisers' voting recommendations, we do not delegate or outsource our stewardship activities when deciding how to vote on our clients' shares.

Each research analyst, supported by our responsible investment team, reviews the relevant issues on a case-by-case basis and exercises their judgement, based on their in-depth knowledge of the company. If there are any controversial resolutions, a discussion is convened with senior investment staff and, if agreement cannot be reached, there is an option to escalate the decision to the Head of Research or the Chief Investment Officer.

As discussed above, we do use ISS as an input into our decisions. In the 12 months to 31 December 2024, of the votes in relation to holdings in the Ruffer Absolute Return Fund we voted against the recommendation of ISS 4.34% of the time."

What process did you follow for determining the "most significant" votes?

"Ruffer have defined 'significant votes' as those that we think will be of particular interest to our clients. In most cases, these are when they form part of continuing engagement with the company and/or Ruffer have held a discussion between members of the research, portfolio management and responsible investment teams to make a voting decision following differences between the recommendations of the company, ISS and Ruffer's internal voting guidelines."

Are you currently affected by any of the following five conflicts, or any other conflicts, across any of your holdings?

- 1) The asset management firm overall has 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 hold 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 have 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) There is 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.
- 5) There are differences between the stewardship policies of managers and their clients.

"No."

3.2 Summary of voting behaviour

A summary of voting behaviour over the Scheme Year is provided in the table below.

	LAM	LGIM	Ruffer
Fund name	Global Sustainable Equity Fund	Low Carbon Transition Global Equity Index Fund – GBP Hedged	Absolute Return Fund
Total size of fund at end of the Scheme Year	£176m	£1,688m	£2,587m
Value of Scheme assets at end of the Scheme Year (£ / % of total assets)	£21.4m	£16.0m	£29.8m
Number of equity holdings at end of the Scheme Year	49	2,719	117
Number of meetings eligible to vote	47	4,786	61
Number of resolutions eligible to vote	733	47,788	1,037
% of resolutions voted	90.5%	99.8%	100.0%
Of the resolutions on which voted, % voted with management	98.5%	79.5%	96.6%
Of the resolutions on which voted, % voted against management	1.5%	19.5%	3.3%

Of the resolutions on which voted, % abstained from voting	0.0%	1.0%	0.1%
Of the meetings in which the manager voted, % with at least one vote against management	20.5%	62.2%	27.9%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	3.9%	11.1%	4.3%

3.3 Most significant votes

Commentary on the most significant votes over the Scheme Year, from the Scheme's asset managers who hold listed equities, is set out below.

The Trustees did not inform their managers which votes they considered to be most significant in advance of those votes being taken.

Given the large number of votes which are cast by managers during every Annual General Meeting season, the timescales over which voting takes place as well as the resource requirements necessary to allow this, the Trustees did not identify significant voting ahead of the reporting period. Instead, the Trustees have retrospectively created a shortlist of most significant votes by requesting each manager provide a shortlist of votes, which comprises a minimum of ten most significant votes, and suggested the managers could use the PLSA's criteria for creating this shortlist. By informing their managers of their stewardship priorities and through their regular interactions with the managers, the Trustees believe that their managers will understand how the Trustees expect them to vote on issues for the companies they invest in on the Trustees' behalf.

The Trustees have reported on a subset of votes (two per fund) as the most significant votes. The Trustees have endeavoured to select significant votes which align as closely as possible with their stewardship priorities, where they could, and avoiding potential duplication. For example, where multiple votes regarding election of board members have been identified, the Trustees have included one to evidence the manager's policy, believing the other votes on the same topic to broadly cover the same ground as the first.

Where managers have provided a large number of votes, the Trustees considered votes which impact a material fund holding, although this was an additional factor, rather than the only determinant of significance.

LAM – Global Sustainable Equity Fund

Danaher Corporation, May 2024

- **Summary of resolution:** Shareholder - Reduce Ownership Threshold for Shareholders to Call Special Meeting
- **Relevant stewardship priority:** Corporate transparency
- **Approx size of the holding at the date of the vote:** 2.2%
- **Why this vote is considered to be most significant:** LAM considered this vote to be most significant as it was a management proposal, for which LAM voted against management.
- **Company management recommendation:** Against. **Fund manager vote:** For.
- **Rationale:** LAM voted in favour of this resolution. Lowering the ownership threshold from 25% to 15% would improve shareholders' ability to use the special meeting right and no single shareholder would be able to act unilaterally to call a special meeting at the proposed threshold.
- **Was the vote communicated to the company ahead of the vote:** No. LAM does not generally communicate its decision to vote against management ahead of the vote, but meets regularly with companies owned within its portfolios and would typically express any material concerns to management during these meetings.
- **Outcome of the vote and next steps:** Did not pass. LAM incorporates voting outcomes into its investment process, and engages with companies on a regular basis. LAM typically follows up in cases where it has voted against management.

Accenture plc, Jan 2024

- **Summary of resolution:** Management - Elect Director Nancy McKinstry
- **Relevant stewardship priority:** Business ethics
- **Approx size of the holding at the date of the vote:** 3.4%
- **Why this vote is considered to be most significant:** LAM considered this vote to be most significant as it was a management proposal, for which LAM voted against management.
- **Company management recommendation:** For. **Fund manager vote:** Against.
- **Rationale:** Potentially over-boarded, as [Nancy is] the current CEO of Wolters Kluwer and also Non-Executive Director on the Board of Abbott Labs.
- **Was the vote communicated to the company ahead of the vote:** No. LAM does not generally communicate its decision to vote against management ahead of the vote, but meets regularly with companies owned within its portfolios and would typically express any material concerns to management during these meetings.
- **Outcome of the vote and next steps:** Passed. LAM incorporates voting outcomes into its investment process, and engages with companies on a regular basis. LAM typically follows up in cases where it has voted against management.

LGIM – Low Carbon Transition Global Equity Index Fund

Amazon.com, Inc., May 2024

- **Summary of resolution:** Report on Customer Due Diligence
- **Relevant stewardship priority:** Corporate transparency
- **Approx size of the holding at the date of the vote:** 2.3%
- **Why this vote is considered to be most significant:** This shareholder resolution is considered significant as one of the largest companies and employers not only within its sector but in the world, we believe that Amazon's approach to human capital management issues has the potential to drive improvements across both its industry and supply chain. LGIM voted in favour of this proposal last year and continue to support this request, as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for their products (RING doorbells and Recognition) and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic. Despite this, Amazon's coverage and reporting of risks falls short of our baseline expectations surrounding AI. In particular, we would welcome additional information on the internal education of AI and AI-related risks.
- **Company management recommendation:** Against. **Fund manager vote:** For.
- **Rationale:** A vote in favour is applied as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for some products and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic.
- **Was the vote communicated to the company ahead of the vote:** No - LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is their policy not to engage with their investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics.
- **Outcome of the vote and next steps:** Did not pass. LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.

Microsoft Corporation, December 2024

- **Summary of resolution:** Report on AI data sourcing Accountability
- **Relevant stewardship priority:** Business ethics
- **Approx size of the holding at the date of the vote:** 4.1%
- **Why this vote is considered to be most significant:** This shareholder resolution is considered significant due to the relatively high level of support received.
- **Company management recommendation:** Not disclosed. **Fund manager vote:** For.

- **Rationale:** A vote for this resolution is warranted as the company is facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While the company has strong disclosures on its approach to responsible AI and related risks, shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models.
- **Was the vote communicated to the company ahead of the vote:** No - LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is their policy not to engage with their investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics.
- **Outcome of the vote and next steps:** Did not pass. LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.

Ruffer – Absolute Return Fund

ExxonMobil, May 2024

- **Summary of resolution:** Shareholder resolution requesting a report on median gender / racial pay gaps
- **Relevant stewardship priority:** Corporate transparency
- **Approx size of the holding at the date of the vote:** 0.2%
- **Why this vote is considered to be most significant:** Ruffer defines [a] significant vote as: any vote against management or against an ISS recommendation, any vote in breach of criteria included in Ruffer's internal voting guidelines, any shareholder resolution, any climate related resolution, any management-proposed climate-related resolution or dissident shareholder slate (US only).
- **Company management recommendation:** Against. **Fund manager vote:** For.
- **Rationale:** Ruffer voted in favour of a shareholder resolution requesting a report on median gender/racial pay gaps. We believe publishing the unadjusted pay gap statistic could increase accountability for diversity, inclusion and equity [and] may provide shareholders with useful information about how effectively management is assessing and mitigating risks related to its employees. Median and adjusted gender/ethnicity/disability pay gap reporting is best practice and is a regulatory requirement in the UK. Therefore, we voted in favour of this proposal.
- **Was the vote communicated to the company ahead of the vote:** No.
- **Outcome of the vote and next steps:** Did not pass. Ruffer will continue to monitor the company and may seek to engage if no progress is seen.

Amazon, May 2024

- **Summary of resolution:** Shareholder resolution requesting an independent audit of working conditions in Amazon warehouses
- **Relevant stewardship priority:** Business ethics
- **Approx size of the holding at the date of the vote:** 0.6%
- **Why this vote is considered to be most significant:** Ruffer defines [a] significant vote as: any vote against management or against an ISS recommendation, any vote in breach of criteria included in Ruffer's internal voting guidelines, any shareholder resolution, any climate related resolution, any management-proposed climate-related resolution or dissident shareholder slate (US only).
- **Company management recommendation:** Against. **Fund manager vote:** For.
- **Rationale:** Ruffer voted in favour of a shareholder resolution requesting the Board of Directors commission an independent audit of working conditions in Amazon warehouses. Amazon's board asserts that it is transparent with its workplace safety policies and procedures, and that its efforts to make its working conditions safer have been effective. Nonetheless, Amazon has recently been charged with multiple workplace safety violations which, combined with negative media attention, expose the company to severe reputational risk. Shareholders would benefit from a third-party review of the company's working conditions within its facilities. As such, we are voting in favour of the proposal.
- **Was the vote communicated to the company ahead of the vote:** No.
- **Outcome of the vote and next steps:** Did not pass. Ruffer will continue to monitor the company and may seek to engage if no progress is seen.