

Implementation Statement

The Pension Plan of Posford Haskoning Limited

Purpose of this statement

This implementation statement has been produced by the Trustees of the **Pension Plan of Posford Haskoning Limited ("the Plan")** to set out the following information over the year to **31 October 2023**:

- 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 Plan's investment managers on behalf of the Trustees over the year, including information regarding the most significant votes.

The voting behaviour is not given over the year to 31 October 2023 because typically investment managers only report on this data quarterly. We have therefore given the information over the year to 30 September 2023 for all of the Plan's holdings, except for the Partners Fund for which Partners Group were only able to provide us with data for the six months to 30 June 2023.

Stewardship policy

The Trustees' Statement of Investment Principles (SIP) in force at October 2023 describes the Trustees' stewardship policy on the exercise of rights (including voting rights) and engagement activities. It has been made available online here: <https://schemedocs.com/download/posford-haskoning-statement-investment-principles.pdf>

The Trustees have delegated the exercise of rights attaching to investments, including voting rights, and in undertaking engagement activities to the Plan's investment managers.

Shortly after the year end (31 October 2023), the Trustees received a training session on sustainability matters, including stewardship priorities. These topics are still under discussion and as such, at this time, the Trustees have not set stewardship priorities for the Plan but will be considering the extent that they wish to do this in due course, in line with other Plan risks.

How voting and engagement policies have been followed

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

- The Plan invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Plan's fund managers.
- The Trustees obtained training on ESG considerations in order to understand fully how ESG factors including climate change could impact the Plan and its investments.

- Annually the Trustees receive and review voting information and engagement policies from both the asset managers and our investment advisors, which we review to ensure alignment with our own policies. The Trustees believe that the voting and engagement activities undertaken by the asset managers on our behalf have been in the members' best interests. This exercise was undertaken in the preparation of this statement.
- Having reviewed the above in accordance with their policies, the Trustees are comfortable the actions of the fund managers are in alignment with the Plan's stewardship policies.

Prepared by the Trustees of the Pension Plan of Posford Haskoning Limited
January 2024

Voting Data (as at 30 September 2023)

This section provides a summary of the voting activity undertaken by the investment managers within the Plan's growth portfolio on behalf of the Trustees over the year to **30 September 2023** (except for the Partners Fund, for which data is given over the six months to 30 June 2023).

Manager	Legal & General Investment Management				M&G	Partners Group	Vanguard	
Fund name	Japan Equity Index – GBP Hedged	Europe (ex UK) Equity Index - GBP Hedged	North America Equity Index - GBP Hedged	Asia Pacific (ex UK) Developed Equity Index - GBP Hedged	Episode Income Fund	The Partners Fund	Emerging Markets Stock Index Fund*	FTSE UK All Share Pension Fund Index*
Structure	Pooled							
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.							
Number of company meetings the manager was eligible to vote at over the year	503	571	641	429	92	61	3,115	666
Number of resolutions the manager was eligible to vote on over the year	6,032	9,948	8,615	3,091	1,259	887	26,421	10,237
Percentage of resolutions the manager voted on	100.0%	99.9%	99.70%	100.0%	97.0%	100.0%	98.5%	99.6%
Percentage of resolutions the	0.0%	0.5%	0.0%	0.0%	0.3%	3.0%	2.0%	0.0%

Manager	Legal & General Investment Management				M&G	Partners Group	Vanguard	
manager abstained from								
Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	88.1%	80.7%	65.4%	73.7%	91.8%	92.0%	91.6%	98.8%
Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	11.9%	19.3%	34.6%	26.3%	8.2%	5.0%	6.9%	0.8%
Percentage of resolutions voted contrary to the recommendation of the proxy advisor	9.7%	11.0%	28.8%	16.4%	6.6%	1.0%	0.2%	0.0%

**Figures may not total 100% due to a variety of reasons, such as lack of management recommendation, scenarios where an agenda has been split voted, multiple ballots for the same meeting were voted differing ways, or a vote of 'Abstain' is also considered a vote against management.*

There are no voting rights attached to the other assets held by the Plan, which include the M&G Alpha Opportunities Fund, LGIM Matching Core Funds, and the LGIM Absolute Return Bond Fund. Therefore, there is no voting information shown above for these assets.

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 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, recent 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. At this time, the Trustees have not set stewardship priorities / themes for the Plan, but will be considering the extent that they wish to do this in due course, in line with other Plan risks. So, for this Implementation Statement, the Trustees have asked the investment managers to determine what they believe to be a "significant vote". The Trustees have not communicated voting preferences to their investment managers over the period, as the Trustees are yet to develop a specific voting policy. In future, the Trustees will consider the most significant votes in conjunction with any agreed stewardship priorities / themes.

Some managers have provided a selection of votes which they believe to be significant. In the interest of concise reporting and in the absence of agreed stewardship priorities / themes, the Trustees have selected 3 votes from each manager, that cover a range of themes to represent what it considers the most significant votes cast on behalf of the Plan. Where the information was available, the 3 votes selected from the longer list of significant votes are based on the largest holdings within the funds.

Only one example of a significant vote for the Vanguard FTSE UK All Share Index Fund was provided for the year to 30 September 2023. Moreover, the level of detail provided on significant votes for both the Vanguard Emerging Markets Stock Index Fund and the Vanguard FTSE UK All Share Index Fund was unsatisfactory. The Trustees' investment consultant is liaising with the managers to improve delivery of the data in the future, and we understand that the managers are working to improve their disclosures.

For the Partners Fund, Partners Group control the board of many of the companies in which they invest. The examples provided by Partners Group are therefore examples of ESG efforts from the portfolio company over which Partners Group have control, rather than examples of significant votes.

A summary of the significant votes provided is set out below.

M&G, Episode Income Fund

	Vote 1	Vote 2	Vote 3
Company name	Apple Inc.	Bank of Montreal	American Express Company
Date of vote	10/03/2023	18/04/2023	02/05/2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	Data not provided	Data not provided	Data not provided
Summary of the resolution	Advisory Vote to Ratify Named Executive Officers' Compensation	Publish a Third-Party Racial Equity Audit	Submit Severance Agreement (Change-in-Control) to Shareholder Vote
How the manager voted	Against	For	For
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	N/A	N/A	N/A
Rationale for the voting decision	Concern over second consecutive year with excessive total pay.	In M&G's view, an audit could help identify areas of improvement.	In M&G's view, the proposal would enhance safeguards against excessive pay.
Outcome of the vote	The resolution passed	The resolution failed to pass	The resolution failed to pass
Implications of the outcome	Data not provided	Data not provided	Data not provided
Criteria on which the vote is considered "significant"	Remuneration	Environmental and social considerations	Shareholder rights and governance

Legal & General, Japan Equity Index – GBP Hedged

	Vote 1	Vote 2	Vote 3
Company name	Toyota Motor Corp.	Mitsubishi UFJ Financial Group, Inc.	Daiichi Sankyo Co., Ltd.
Date of vote	14/06/2023	29/06/2023	19/06/2023

	Vote 1	Vote 2	Vote 3
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	3.87	1.83	1.45
Summary of the resolution	Amend Articles to Report on Corporate Climate Lobbying Aligned with Paris Agreement	To amend the articles of incorporation to publish a transition plan to align lending and investment portfolios with the Paris Agreement	Elect Director Manabe, Sunao
How the manager voted	For (Against Management Recommendation)	For (Against Management Recommendation)	Against (Against Management Recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was sent to the company ahead of the meeting.		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.
Rationale for the voting decision	LGIM views climate lobbying as a crucial part of enabling the transition to a net zero economy. LGIM voted for this proposal as they believe that companies should advocate for public policies that support global climate ambitions and not stall progress on a Paris-aligned regulatory environment. LGIM acknowledge the progress that Toyota Motor Corp has made in relation to its climate lobbying disclosure in recent years. However, LGIM believe that additional transparency is necessary with regards to the process used by the company to assess how its direct and indirect lobbying activity aligns with its own climate ambitions, and what actions are taken when misalignment is identified. Furthermore, LGIM expect Toyota Motor Corp to improve its governance structure to oversee this climate lobbying review.	LGIM continue to consider that decarbonisation of the banking sector and its clients is key to ensuring that the goals of the Paris Agreement are met. A group of climate-focused NGOs has been active in this area in the Asian market for a number of years, resulting in the first climate-related proposal of its type at Mizuho ahead of its 2020 AGM. LGIM since has supported previous resolutions at each of these Japanese banks at their AGMs since 2020, and they have found that these proposals and the ensuing shareholder dialogue has helped drive improved disclosures and tighter policies at the companies. Therefore, LGIM supported this proposal to invigorate and encourage further strengthening of policies in line with science-based temperature-aligned pathways towards a net-zero-by-2050 world.	LGIM voted against the resolution due to the lack of meaningful diversity on the board.
Outcome of the vote	15.1% of shareholders voted for the resolution (Fail)	N/A (Results not disclosed)	N/A (Results not disclosed)
Implications of the outcome	LGIM will continue to engage with the company and monitor progress.		LGIM will continue to engage with their investee companies,

	Vote 1	Vote 2	Vote 3
			publicly advocate their position on this issue and monitor company and market-level progress.
Criteria on which the vote is considered "significant"	LGIM believes that companies should use their influence positively and advocate for public policies that support broader improvements of ESG factors including, for example, climate accountability and public health. In addition, they expect companies to be transparent in their disclosures of their lobbying activities and internal review processes involved.	LGIM considers this vote to be significant as they pre-declared their intention to support. They continue to consider that decarbonisation of the banking sector and its clients is key to ensuring that the goals of the Paris Agreement are met.	LGIM views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.

Legal & General, North America Equity Index – GBP Hedged

	Vote 1	Vote 2	Vote 3
Company name	Amazon.com, Inc.	NVIDIA Corporation	Alphabet Inc.
Date of vote	24/05/2023	22/06/2023	02/06/2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	2.29	2.23	1.84
Summary of the resolution	Report on Median and Adjusted Gender/Racial Pay Gaps	Elect Director Stephen C. Neal	Approve Recapitalisation Plan for all Stock to Have One-vote per Share
How the manager voted	For (Against Management Recommendation)	Against (Against Management Recommendation)	For (Against Management Recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was sent to the company ahead of the meeting.	LGIM publicly communicates its vote instructions on its website with the 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.	
Rationale for the voting decision	LGIM voted in favour because they expect companies to disclose meaningful information on its gender pay gap and the initiatives it is applying to close any stated gap. This is an important disclosure so that investors can assess the progress of the company's diversity and inclusion initiatives. Board diversity is an engagement and voting issue, as LGIM believe cognitive diversity in business – the bringing together of people of	LGIM voted against the resolution because they expect a company to have at least one-third women on the board. Additionally, LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background.	LGIM voted in favour because they expect companies to apply a one-share-one-vote standard.

	Vote 1	Vote 2	Vote 3
	different ages, experiences, genders, ethnicities, sexual orientations, and social and economic backgrounds – is a crucial step towards building a better company, economy and society.		
Outcome of the vote	29% of shareholders voted for the resolution (Fail)	N/A (Results not disclosed)	30.7% of shareholders voted for the resolution (Fail)
Implications of the outcome	LGIM will continue to engage with the company and monitor progress.	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 monitor the board's response to the relatively high level of support received for this resolution.
Criteria on which the vote is considered "significant"	LGIM views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.		This shareholder resolution is considered significant due to the relatively high level of support received.

Legal & General, Asia Pacific (ex-Japan) Developed Equity Index Fund

	Vote 1	Vote 2	Vote 3
Company name	Woodside Energy Group Ltd.	James Hardie Industries Plc	CK Asset Holdings Limited
Date of vote	28/04/2023	03/08/2023	18/05/2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.46	0.44	0.40
Summary of the resolution	Re-elect Mr Ian Macfarlane as a director	Elect Nigel Stein as Director	Elect Li Tzar Kuoi, Victor as Director
How the manager voted	Against (Against Management Recommendation)	For	Against (Against Management Recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was sent to the company ahead of the meeting.	LGIM publicly communicates its vote instructions on its website with the 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.	
Rationale for the voting decision	The rationale for LGIM's intention to vote against the most senior director up for re-election, Mr Ian Macfarlane, reflects their concerns around the company's	LGIM voted in favour of the Chairman's re-election, taking into account the Company's practices in light of its Irish domicile and that a minimum	LGIM voted against the resolution because: (1) LGIM expects the Committee to comprise independent directors; (2) LGIM expects a

	Vote 1	Vote 2	Vote 3
	lack of commitment to aligning with the Paris objectives and net zero, and the insufficient reaction to the significant proportion of shareholder votes against their climate report (49%) in the 2022 AGM. Additionally, following the completion of the BHP petroleum assets merger in 2022, LGIM are looking to get more clarity on the decarbonisation targets of the combined group. LGIM feel that actions taken are insufficient to restore investor confidence and that there is a lack of urgency around better aligning the company with the Paris objectives.	of 3 weeks notice for publication of meeting materials will be kept. They will keep this under review.	CEO/CFO/FD or a non-executive director not to hold too many external roles to ensure they can undertake their duties effectively, and; (3) LGIM expect the roles of Board Chair and CEO to be separate. These two roles are substantially different and a division of responsibilities ensures there is a proper balance of authority and responsibility on the board.
Outcome of the vote	65.2% of shareholders voted for the resolution (Pass)	N/A (Results not disclosed)	90.3% of shareholders voted for the resolution (Pass)
Implications of the outcome	LGIM will continue to engage with the company and monitor progress.	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 considers this vote to be significant as it is applied under the Climate Impact Pledge, their flagship engagement programme targeting some of the world's largest companies on their strategic management of climate change.	LGIM considers 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 (escalation of engagement by vote).	

Legal & General, Europe (ex UK) Equity Index Fund

	Vote 1	Vote 2	Vote 3
Company name	Novartis AG	TotalEnergies SE	Sanofi
Date of vote	07/03/2023	26/05/2023	25/05/2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.91	1.66	1.38
Summary of the resolution	Re-elect Joerg Reinhardt as Director and Board Chair	Approve the Company's Sustainable Development and Energy Transition Plan	Elect Frederic Oudea as Director
How the manager voted	Against	Against (Against Management Recommendation)	Against (Against Management Recommendation)

	Vote 1	Vote 2	Vote 3
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the 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.		
Rationale for the voting decision	LGIM voted against the resolution as they expect a company to have a diverse board, with at least one-third of board members being women. They expect companies to increase female participation both on the board and in leadership positions over time.	LGIM recognize the progress the company has made with respect to its net zero commitment, specifically around the level of investments in low carbon solutions and by strengthening its disclosure. However, they remain concerned of the company's planned upstream production growth in the short term, and the absence of further details on how such plans are consistent with the 1.5C trajectory.	LGIM voted against this resolution because they expect a company to have a diverse board, with at least 40% of board members being women. They expect companies to increase female participation both on the board and in leadership positions over time.
Outcome of the vote	N/A (Results not disclosed)	N/A (Results not disclosed)	N/A (Results not disclosed)
Implications of the outcome	LGIM will continue to engage with our 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. LGIM filed a shareholder resolution at Glencore's 2023 AGM and engagement continues.	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 gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.	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.	LGIM views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.

Vanguard, Emerging Markets Stock Index Fund

	Vote 1	Vote 3	Vote 3
Company name	Vale SA		
Date of vote	28/04/2023		

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	N/A
Summary of the resolution	<p>Elect Heloisa Belotti Bedicks as Fiscal Council Member and Jandaraci Ferreira de Araujo as Alternate Appointed by Geracao L. Par Fundo de Investimento em Acoes and Other Shareholders</p> <p>Elect Marcio de Souza as Fiscal Council Member and Ana Maria Loureiro Recart as Alternate Appointed by Caixa de Previdencia dos Funcionarios do Banco do Brasil - Previ</p> <p>Elect Paulo Clovis Ayres Filho as Fiscal Council Member and Guilherme Jose de Vasconcelos Cerqueira as Alternate Appointed by Cosan</p>
How the manager voted	For
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	N/A
Rationale for the voting decision	Support warranted. Aligned with Vanguard-advised funds' voting policy.
Outcome of the vote	Pass
Implications of the outcome	N/A
Criteria on which the vote is considered "significant"	N/A

Vanguard, FTSE UK All Share Pension Fund Index

	Vote 1
Company name	BP plc
Date of vote	27/04/2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	N/A
Summary of the resolution	Approve Shareholder Resolution on Climate Change Targets
How the manager voted	Against
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	N/A

Rationale for the voting decision	Determined the proposal addressed material risks and company had taken sufficient actions and/or had related actions pending to address the proponent request.
Outcome of the vote	Fail
Implications of the outcome	N/A
Criteria on which the vote is considered "significant"	N/A

Partners Group, The Partners Fund

	Vote 1	Vote 2	Vote 3
Company name	Confluent Health	EyeCare Partners	Pharmathen
Date of vote		n/a	
Approximate size of fund's holding as at the date of the vote (as % of portfolio)		n/a	
Summary of the resolution	<p>Confluent has an environmental impact assessment underway and has also engaged a third-party consultant to determine its greenhouse gas footprint.</p> <p>Meanwhile, Confluent has established a Diversity, Equity & Inclusion council, which is currently creating goals and roadmaps with a target to complete by the end of the third quarter of 2022. Thereafter, ownership of each initiative will be identified.</p>	<p>In 2022, the number of patients served by EyeCare Partners (ECP) rose to 3 million, with the company exceeding its targets for average net promoter score (NPS) for its ECP clinics and Medicare/Medicaid patients served.</p> <p>In 2021, ECP clinics had an NPS score of 89 compared to the target score of 87, and had served 37% of Medicare/Medicaid patients.</p>	<p>In May 2022, Pharmathen launched a sustainability assessment with EcoVadis. The results will be incorporated into Pharmathen's ESG Strategy.</p>
How the manager voted		Control of the board	
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?		n/a	
Rationale for the voting decision	Confluent has also expanded its stakeholder benefits program.	Meanwhile, several initiatives were implemented to improve	The company has a strong ESG culture as reflected in its core

For instance, in 2022, the company launched stock options for all physical therapists and made significant investments in benefits, including reduced Eligible Employee premiums and increased communication around its wellness programs.

stakeholder benefits. For instance, significant investment in benefits were made in 2021 and 2022. In addition, the company increased communication around its ECP Cares Foundation, a non-profit organization dedicated to giving back to ECP team members in need. Meanwhile, Incident Frequency Rate (IFR) measures were established and are being captured to drive root-cause analysis and drive prevention strategies. This has engaged employees and helped to increase employee retention to 31% (exceeding the target of 27%).

Lastly, baselines and specific initiatives were established based on the doctor and employee engagement surveys conducted during the first half of 2022.

mission of making a positive impact on the lives of people by ensuring that they enjoy better health.

Outcome of the vote	n/a
Implications of the outcome	n/a
Criteria on which the vote is considered "significant"	Size of holding in fund

Fund level engagement

The investment managers may engage with investee companies on behalf of the Trustees. The table below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds.

Engagement activities are limited for the Plan's LDI and cash funds due to the nature of the underlying holdings, so engagement information for these assets have not been shown. The information is given over the year to 30 September 2023.

Manager	M&G	M&G	Abrdn*
Fund name	Alpha Opportunities Fund	Episode Income Fund	Vanguard Equity Funds
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Data not provided
Number of engagements undertaken on behalf of the holdings in this fund in the year	7	6	Data not provided

Number of engagements undertaken at a firm level in the year	247	247	2,484
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**Abrdn only provide engagement data on a yearly basis so data is shown as at 31 December 2022.*

Manager	LGIM				
Fund name	Asia Pacific (ex-Japan) Developed Equity Index Fund	Europe (ex UK) Equity Index Fund	Japan Equity Index Fund	Absolute Return Bond Fund	North America Equity Index Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	120	149	71	160	346
Number of engagements undertaken at a firm level in the year	2,299	2,299	2,299	2,299	2,299

Examples of engagement activity undertaken over the year to 30 September 2023

M&G, Episode Income Fund

Lyondell Basell Industries NV

Engagement Theme: Environment-Climate Change

M&G engaged with LyondellBasell, a chemicals company, to increase efforts to reduce carbon emissions through a number of requests such as proposing the company set out and disclose a plan over the short, medium and long term, with intermediate targets, to:

- Phase in electrified chemical production processes, with the aim of transitioning to 100 per cent electrified processes by 2050;
- Increase energy consumption from renewable energy sources, with the aim of transitioning to 100 per cent renewable energy by 2050.
- Commit to align its future capital spending with 1.5°C low/no overshoot pathways to 2050.

This was achieved as part of a collective engagement with other investors through Shareaction, in which M&G sent a letter to the company to make their expectations known. M&G are currently awaiting a response.

M&G, Alpha Opportunities Fund

IPD 3 BV

Engagement Theme: Social-Inequality

M&G engaged with the Borrower 'IPD 3 BV' in relation to the quality of social housing stock and information submitted by the Borrower to the Scottish Housing Regulator (SHR). The proportion of the Borrower's housing stock rated "compliant" has dropped significantly from 96% the previous year to 41%. Management stated this drop had been driven by the introduction of new regulations and emphasised their view that the quality of properties had not deteriorated in the past year, but the issue was a lack of formal certification.

M&G requested and held a video call with senior management to discuss actions being taken to improve compliance and make their expectations known. Specifically, M&G have requested that at least 90% of housing stock is rated "compliant" by 31 March 2024.

Partners, The Partners Fund

KinderCare Education

With Partners Group support, KinderCare Education has conducted a baseline year GHG emissions assessment for Scope 1 and Scope 2 emissions. Data from the assessment helps to inform the company's broader environmental strategy. Initiatives undertaken to improve energy efficiency include a \$5.1 million investment in 2022, which updated 161 centres with LED lighting. These enhancements have led to the reduction of 12,229 tons of CO₂ across the updated centres and brought the total number of centres with LED lighting to 21% of total centres.

Additionally, following delays to heating, ventilation and air conditioning (HVAC) upgrades in 2022 due to supply chain limitations, older HVAC units will now be replaced with high efficiency units that are up to 40% more efficient. This is significant, as HVAC energy usage is the single largest source of energy consumption within the centres. KinderCare Education also invested to instal centralised energy management systems in 114 centres in 2022. These enhancements led to the reduction of 13,412 tons of CO₂ annually and increased the total number of centres with energy management systems installed to 315. Together, all these initiatives brought more than USD 1.8 million in energy savings.

LGIM, Equity portfolio

Kansai Electrical Power

Engagement Theme: Governance & Climate

Kansai Electric Power is one of the largest electric utilities companies in Japan. L&G identified several governance areas for improvement and the company appears to lag some of L&G's minimum expectations on board composition. LGIM met with the company to discuss these areas in detail to better understand its approach to governance and climate, in addition to talking in-depth about related areas (such as responsibility for executing the net zero transition plan). They felt their meeting with the company was productive and they look forward to

working with the management more closely on both governance and climate change going forwards, alongside gaining a deeper understanding of the reasons behind its decisions and actions.