IMPLEMENTATION STATEMENT
For the year ended 30 September 2023

Introduction
This implementation statement has been prepared by the Trustees of the Konica Minolta Business Solutions (UK) Pension Plan. The Plan provides benefits calculated on a defined benefit (DB) basis for members in the DB Section and benefits calculated on a defined contribution (DC) basis for members in the DC Section.

The statement:

- sets out how, and the extent to which, the policies set out in the Statement of Investment Principles (the SIP) have been followed during the year;
- describes any review of the SIP, including an explanation of any changes made; and
- describes the voting behaviour by, or on behalf of, the Trustees over the same period.

Trustees' overall assessment
In the opinion of the Trustees, the policies as set out in the SIP have been followed during the year ending 30 September 2023.

The Trustees have, in their opinion, followed the Plan's voting and engagement policies during the year, by continuing to delegate to each investment manager, the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes.

Review of the SIP
The Trustees' policies have been developed over time by the Trustees in conjunction with their investment consultant and are reviewed and updated periodically and at least every three years. The SIP was reviewed during the year as a result of statutory and non-statutory guidance issued by the DWP effective from 1 October 2022 as well as to incorporate a partial de-risking of the Plan's assets which was conducted during the Plan year. This review resulted in the Trustees policy in relation to their arrangements with the investment managers being updated in July 2023.

Policy in relation to the kinds of investments to be held
The Trustees have given full regard to their investment powers as set out in the Trust Deed and Rules and have considered the attributes of the various asset classes when deciding the kinds of investments to be held. The Plan may invest in quoted and unquoted securities of UK and overseas markets including equities, fixed interest and index linked bonds, cash, property and pooled investment vehicles considered appropriate for tax-exempt approved occupational pension schemes. The Trustees consider all of the stated classes of investment to be suitable in the circumstances of the Plan.

All investments made during the year have been in line with their investment powers.

Investment strategy and objectives

Investment strategy (DB Section)
The investment strategy for the Plan is based on an analysis of its liability profile, the required investment return and the returns expected from the various asset classes over the long-term. The Trustees review this investment strategy and the asset allocation as part of each triennial actuarial valuation. The Trustees may also reconsider the asset allocation and the investment strategy outside the triennial valuation period where necessary.

A partial de-risking of the Plan's assets was conducted during the Plan year. The Trustees carry out a full review of investment strategy in conjunction with the triennial actuarial valuation, and between such events they will periodically adjust the allocation to growth assets based primarily on market opportunities and the strength of the Plan's funding position.

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Policy in relation to the balance between various kinds of investments and the realisation of investments (DB Section)

The appointed investment managers hold a diversified mix of investments in line with their agreed benchmark and within their discretion to diverge from the benchmark. Within each major market each manager maintains a diversified portfolio of securities.

During the year, in order to reduce the investment risk being taken by the Plan, the Trustees made disinvestments from the Plan's holdings in the LGIM LPI Income Property Fund and the Partners Group Partners Fund and subsequently invested the proceeds in index-linked gilts and a longer dated buy-and-maintain fund.

Policy in relation to the expected return on investments (DB Section)
Over the long term, the Trustees expect the return on Plan assets to be sufficient to meet their primary objective.

Investment strategy (DC Section)
The Plan provides members in the DC Section with a range of funds in which to invest. These aim to allow members to achieve the following:

- maximising the value of retirement benefits, to ensure a reasonable standard of living in retirement;
- protecting the value of benefits in the years approaching retirement against equity market falls and (should they decide to purchase an annuity) fluctuations in annuity costs;
- tailoring a member's investments to meet his or her own needs, and to how the member intends to make use of their benefits at and through retirement; and
- maximising the long term benefits from the Plan whilst limiting the risk of a member's account failing to achieve a level of return that the Trustees believe is reasonable.

The Trustees have also offered three lifestyle strategies to members. They operate by members investing in return enhancing funds for the majority of their working lives. As members approach retirement, funds and contributions are switched dependent on whether the member is invested in the drawdown, annuity or cash lifestyles. Members can choose which lifestyle strategy is most appropriate for their needs. The default option for the Plan is the drawdown lifestyle.

Policy in relation to the balance between various kinds of investments and the realisation of investments (DC Section)

Each fund has a defined objective and the Trustees are satisfied that the funds offered are appropriate for the different categories and ages of members.

In the event of an unexpected need to realise all or part of the assets of the portfolio, the Trustees require the investment managers to be able to realise the Plan's investments in a reasonable timescale by reference to the market conditions existing at the time the disposal is required and subject to the best interests of the Plan, noting this policy also applies to the default option of the Defined Contribution Section of the Plan.

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Policy in relation to the expected return on investments (DC Section)
The objective of the equity, property and diversified funds is to achieve an attractive real return over the longer term. The objective of the cash and bond funds respectively is to provide for the payment of a lump sum on retirement and to reduce volatility, rather than to achieve a specific real or nominal return. The Trustees are satisfied that these return objectives are consistent with the aims of members at different stages within the three lifestyle strategies.

Risk capacity and risk appetite

Policy in relation to risks (DB Section)
Although the Trustees acknowledge that the main risk is that the Plan will have insufficient assets to meet its liabilities, the Trustees recognise other contributory risks, including the following. Namely the risk:

- Associated with the differences in the sensitivity of asset and liability values to changes in financial and demographic factors.
- Of the Plan having insufficient liquid assets to meet its immediate liabilities.
- Of the investment managers failing to achieve the required rate of return.
- Due to the lack of diversification of investments.
- Of failure of the Plan's Sponsoring Employer to meet its obligations.

The Trustees monitor manager risks through quarterly performance monitoring reports and IRM trigger analysis provided by and discussed with the investment consultant.

Four monitoring reports were received during the year.

The Trustees have agreed performance targets with their investment managers. Within each asset class, the investment managers are expected to maintain a portfolio of securities, which ensures that the risk being accepted in each market is broadly diversified.

Policy in relation to risks (DC Section)
The Trustees have considered risk from a number of perspectives. These are:

- The risk that the investment returns over members' working lives will not keep pace with inflation and does not, therefore, provide an adequate retirement income;
- The risk that investment market movements in the period prior to retirement lead to a substantial reduction in the anticipated level of retirement income;
- The risk that investment market movements in the period just prior to retirement lead to a substantial reduction in the anticipated cash lump sum benefit.

To mitigate some of these risks, the Trustees have made available three lifestyle approaches and are comfortable that the funds offered are consistent with this approach.

During the scheme year the Trustees received quarterly short-form investment monitoring reports and resulted in no required action.

Stewardship in relation to the Plan assets

Policies in relation to investment manager arrangements
The Plan's assets are invested in pooled funds which have their own policies and objectives and charge a fee, set by the investment manager, for their services. The Trustees have very limited to no influence over the objectives of these funds or the fees they charge (although fee discounts can be negotiated in certain circumstances).

None of the funds had a change in benchmark or objective over the year.

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The Trustees receive information on any trading costs incurred as part of asset transfer work within either the DB or the DC Section, as and when these occur. The exercise is only undertaken if the expected benefits outweigh the expected costs. The Trustees note that, in respect of the DC Section, trading costs are also incurred in respect of member switches (including within the lifestyle strategy).

The investment managers have invested the assets within their portfolio in a manner that is consistent with the guidelines and constraints set out in their appointment documentation. In return the Trustees have paid their investment managers a fee which is a fixed percentage of assets under management as well as a performance-based fee for the Partners Fund.

The investment consultant has reviewed and evaluated the investment managers on behalf of the Trustees, including performance reviews, manager oversight meetings and operational due diligence reviews.

As the Plan uses pooled funds, the time horizon of the underlying investments is not directly linked to those of the Plan and hence the Trustees are comfortable that the managers can take a long-term approach to stewardship matters. This is monitored through periodic discussions with each investment manager and through the information they provide for this statement.

(a) Investment manager monitoring and changes
During the year the Trustees received four reports from the investment consultant examining the performance of the pooled funds used.

There have been no changes to the Plan's existing investment manager arrangements.

Appropriate written advice will be taken from the investment consultant before the review, appointment or removal of the investment managers.

Stewardship of investments
The Trustees have a fiduciary duty to consider their approach to the stewardship of the investments, to maximise financial returns for the benefit of members and beneficiaries over the long term. The Trustees can promote an investment's long-term success through monitoring, engagement and/or voting, either directly, or through, each investment manager.

The Trustees, in conjunction with the investment consultant, appoint each investment manager and choose the specific pooled funds to use in order to meet specific policies. They expect that each investment manager makes decisions based on assessments about the financial and non-financial performance of underlying investments (including environmental, social and governance (ESG) factors, and that they engage with issuers of debt or equity to improve their performance (and thereby the Plan's performance) over an appropriate time horizon.

The Trustees have decided not to take non-financial matters into account when considering their policy objectives.

Members of the Trustee board received the following investment training over the period:

Date	Provider	Subject
5 June 2023	Buck	Stewardship and impact on the SIP and Implementation Statement

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Stewardship - monitoring and engagement
The Trustees recognise that investment managers' ability to influence the companies in which they invest will depend on the nature of the investment.

The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage the managers to exercise those rights. The investment managers are expected to provide regular reports for the Trustees detailing their voting activity.

The Trustees also delegate responsibility for engaging and monitoring investee companies to the investment managers and they expect the investment managers to use their discretion to maximise financial returns for members and others over the long term.

The Trustees seek to appoint managers that have strong stewardship policies and processes and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020. Details of the signatory status of each investment manager is shown below:

Investment manager	UN PRI Signatory	UK Stewardship Code Signatory
LGIM	Yes	Yes
Partners Group	Yes	Yes

The Trustees have not set out their own stewardship priorities but follow that of the investment managers. The Trustees will engage with a manager should they consider that manager's voting and engagement policy to be inadequate or if the voting and engagement undertaken is not aligned with the manager's own policies, or if the manager's policies diverge significantly from any stewardship policies identified by the Trustees from time to time.
If the Trustees find that any manager's policies or behaviour unacceptable, they may agree an alternative mandate with the manager or decide to review or replace the manager.
As all of the investments are held in pooled vehicles, the Trustees do not envisage being directly involved with peer-to-peer engagement in investee companies.

Investment manager engagement policies
The Plan's investment managers are expected to have developed and publicly disclosed an engagement policy. This policy, amongst other things, provides the Trustees with information on how each investment manager engages in dialogue with the companies it invests in and how it exercises voting rights. It also provides details on the investment approach taken by the investment manager when considering relevant factors of the investee companies, such as strategy, financial and non-financial performance and risk, and applicable social, environmental and corporate governance aspects.

Links to investment managers' Engagement Policy or suitable alternative is provided in the Appendix.

These policies are publicly available on each investment manager's websites. The latest available information provided by the investment managers (for mandates that contain public equities or bonds) is as follows:

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Engagement	LGIM UK Equity Index Fund	LGIM World (ex UK) Equities Index Fund	LGIM Diversified Fund
Period	01/10/2022-30/09/2023	01/10/2022-30/09/2023	01/10/2022-30/09/2023
Engagement definition	Purposeful, targeted communication with an entity (e.g. company, government, industry body, regulator) on particular matters of concern with the goal of encouraging change at an individual issuer and/or the goal of addressing a market-wide or system risk (such as climate). Regular communication to gain information as part of ongoing research should not be counted as engagement.		
Number of companies engaged with over the year	224	500	1,665
Number of engagements over the year	371	724	2,073

n/a indicates the investment manager did not provide this information when requested. The LGIM Diversified Fund is by far the most popular fund within the Plan's DC section and so voting and engagement information in this Statement is shown solely in respect of this fund.

Engagement	LGIM Maturing B&M Credit 2025-2029	LGIM Maturing B&M Credit 2030-2034	LGIM Maturing B&M Credit 2035-2039	LGIM Maturing B&M Credit 2040-2054
Period	01/10/2022-30/09/2023	01/10/2022-30/09/2023	01/10/2022-30/09/2023	01/10/2022-30/09/2023
Engagement definition	Purposeful, targeted communication with an entity (e.g. company, government, industry body, regulator) on particular matters of concern with the goal of encouraging change at an individual issuer and/or the goal of addressing a market-wide or system risk (such as climate). Regular communication to gain information as part of ongoing research should not be counted as engagement.			
Number of companies engaged with over the year	93	98	58	80
Number of engagements over the year	183	179	121	153

Exercising rights and responsibilities
The Trustees recognise that different investment managers should not be expected to exercise stewardship in an identical way, or to the same intensity.

The investment managers are expected to disclose annually a general description of their voting behaviour, an explanation of the most significant votes cast and report on the use of proxy voting advisers. The Trustees have been provided with details of what each investment manager considers to be the most significant votes. The Trustees have not influenced the manager's definitions of significant votes, but have reviewed these and are satisfied that they are all reasonable and appropriate.

The Trustees have selected the three votes affecting the largest asset holdings for inclusion in this statement. The Trustees did not communicate with the manager in advance about the votes they considered to be the most significant.

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The Trustees do not carry out a detailed review of the votes cast by or on behalf of their investment managers but rely on the requirement for their investment managers to provide a high-level analysis of their voting behaviour.

The Trustees consider the proportion of votes cast, and the proportion of votes against management and believe this to be an important (but not the only) consideration of investor behaviour.

The latest available information provided by the investment managers with listed equity voting rights is as follows:

Voting behaviour	LGIM UK Equity Index Fund	LGIM World (ex UK) Equity Index Fund - GBP Currency Hedged	LGIM Diversified Fund
Period	01/10/2022-30/09/2023	01/10/2022-30/09/2023	01/10/2022-30/09/2023
Number of meetings eligible to vote at	660	2,863	8,829
Number of resolutions eligible to vote on	10,239	34,977	93,085
Proportion of votes cast	100.0%	99.9%	99.8%
Proportion of votes for management	94.3%	77.9%	76.7%
Proportion of votes against management	5.7%	22.0%	23.0%
Proportion of resolutions abstained from voting on	0.0%	0.2%	0.4%

Note: Not all LGIM equities based funds are shown in the voting and engagement tables for the DC section since the above funds are a reasonable proxy for LGIM's wider voting and engagement approach.

During the period under review the Trustees have exercised their rights in relation to their holdings.

Trustees' engagement
The Trustees have undertaken a review of each investment manager's engagement policy including their policies in relation to financially material considerations.

The Trustees have considered the ESG rating for each fund/investment manager provided by the investment consultant, which includes consideration of voting and/or engagement activities. This also includes those funds that do not hold listed equities.

The Trustees have reviewed the investment managers' policies relating to engagement and voting and how they have been implemented and have found them to be acceptable at the current time.

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The Trustees recognise that engagement and voting policies, practices and reporting, will continue to evolve over time and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2021.

Appendix
Links to the Engagement Policies for each of the investment managers can be found here:

Investment manager	Engagement Policy (or suitable alternative)
Legal & General Investment Management	https://www.lgim.com/landg-assets/lgim/_document-library/capabilities/lgim-engagement-policy.pdf
Partners Group	https://www.partnersgroup.com/fileadmin/user_upload/Files/Legal_Compliance_PDFs/20210309_ESG__Sustainability_Directive_vFV.pdf

Information on the most significant votes for each of the funds containing equities is shown below.

LGIM UK Equity Index Fund	Vote 1	Vote 2	Vote 3
Company name	Shell Plc	BP Plc	Glencore Plc
Date of Vote	23/05/2023	27/04/2023	26/05/2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	7.0	3.8	2.4
Summary of the resolution	Resolution 25 - Approve the Shell Energy Transition Progress	Resolution 4 - Re-elect Helge Lund as Director	Resolution 19: Shareholder resolution "Resolution in Respect of the Next Climate Action Transition Plan"
How the fund manager voted	Against (against management recommendation)	Against (against management recommendation)	For (Against Management Recommendation)
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	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 our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.	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 our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.	LGIM co-filed this shareholder resolution and pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, there was regular communication with the company ahead of the meeting.

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Rationale for the voting decision	Climate change: A vote against is applied, though not without reservations. We acknowledge the substantial progress made by the company in meeting its 2021 climate commitments and welcome the company's leadership in pursuing low carbon products. However, we remain concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations; both of these are key areas to demonstrate alignment with the 1.5C trajectory.	Governance: A vote against is applied due to governance and board accountability concerns. Given the revision of the company's oil production targets, shareholders expect to be given the opportunity to vote on the company's amended climate transition strategy at the 2023 AGM. Additionally, we note concerns around the governance processes leading to the decision to implement such amendments.	In 2021, Glencore made a public commitment to align its targets and ambition with the goals of the Paris Agreement. However, it remains unclear how the company's planned thermal coal production aligns with global demand for thermal coal under a 1.5°C scenario. Therefore, LGIM has co-filed this shareholder proposal (alongside Ethos Foundation) at Glencore's 2023 AGM, calling for disclosure on how the company's thermal coal production plans and capital allocation decisions are aligned with the Paris objectives.
Outcome of the vote	80% (Pass)	n/a	29.2% (Fail)
Implications of the outcome	LGIM continues to undertake extensive engagement with Shell on its climate transition plans	LGIM will continue to engage with the company and monitor progress.	LGIM will continue to engage with the company and monitor progress.
Criteria on which the vote is assessed to be "most significant"	Thematic - Climate: LGIM is publicly supportive of so called "Say on Climate" votes. We 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.	High Profile Meeting and Engagement: We consider this vote to be significant given our long-standing engagement with the company on the issue of climate.	Pre-declaration and Engagement: LGIM considers this vote to be significant as LGIM co-filed this shareholder resolution as an escalation of our engagement activity, targeting some of the world's largest companies on their strategic management of climate change.

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LGIM World (ex UK) Equity Index Fund - GBP Currency 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)	1.7	1.6	1.3
Summary of the resolution	Resolution 13 – Report on Median and Adjusted Gender/Racial Pay Gaps	Resolution 1i - Elect Director Stephen C. Neal	Resolution 18 - Approve Recapitalization Plan for all Stock to Have One-vote per Share
How the fund manager voted	For (Against Management Recommendation)	Against (against management recommendation)	For (against management recommendation)
Where the fund manager voted against management, did they 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 set 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 our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.	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 our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.

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Rationale for the voting decision	A vote in favour is applied as LGIM expects 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 we believe cognitive diversity in business – the bringing together of people of different ages, experiences, genders, ethnicities, sexual orientations, and social and economic backgrounds – is a crucial step towards building a better company, economy and society.	Diversity: A vote against is applied as LGIM expects a company to have at least one-third women on the board. Average board tenure: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background.	Shareholder Resolution - Shareholder rights: A vote in favour is applied as LGIM expects companies to apply a one-share-one-vote standard.
Outcome of the vote	29% (Fail)	n/a	30.7% (Fail)
Implications of the outcome	LGIM will continue to engage with the company and monitor progress.	LGIM will continue to engage with our investee companies, publicly advocate our 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 assessed to be "most significant"	Pre-declaration and Thematic – Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.

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LGIM Diversified Fund	Vote 1	Vote 2	Vote 3
Company name	Prologis, Inc.	NextEra Energy, Inc.	Shell Plc
Date of Vote	04/05/2023	18/05/2023	23/05/2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.4	0.4	0.3
Summary of the resolution	Resolution 1j - Elect Director Jeffrey L. Skelton	Resolution 1b - Elect Director Sherry S. Barrat	Resolution 25 - Approve the Shell Energy Transition Progress
How the fund manager voted	Against (against management recommendation)	Against (against management recommendation)	Against (against management recommendation)
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	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 our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.		

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Rationale for the voting decision	Diversity: A vote against is applied as LGIM expects a company to have at least one-third women on the board. Average board tenure: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. Independence: A vote against is applied as LGIM expects the Chair of the Committee to have served on the board for no more than 15 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background. Diversity: A vote against is applied as the company has an all-male Executive Committee.	Independence: A vote against is applied as LGIM expects the Lead Director to have served on the board for no more than 15 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background. Joint Chair/CEO: A vote against is applied as LGIM expects companies not to recombine the roles of Board Chair and CEO without prior shareholder approval.	Climate change: A vote against is applied, though not without reservations. We acknowledge the substantial progress made by the company in meeting its 2021 climate commitments and welcome the company's leadership in pursuing low carbon products. However, we remain concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations; both of these are key areas to demonstrate alignment with the 1.5C trajectory.
Outcome of the vote	n/a	n/a	80% (Pass)
Implications of the outcome	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.	LGIM continues to undertake extensive engagement with Shell on its climate transition plans.

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Criteria on which the vote is assessed to be "most significant"	Thematic - Diversity: LGIM views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.	Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO (escalation of engagement by vote).	Thematic - Climate: LGIM is publicly supportive of so called "Say on Climate" votes. We 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.

Partners Group The Partners Fund SICAV	Vote 1	Vote 2	Vote 3
Company name	EyeCare Partners	Pharmathen	PremiStar
Date of Vote	n/a	n/a	n/a
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	n/a	n/a	n/a
Summary of the resolution	As we control the Board, please see below the ESG efforts of the portfolio company.		
How the fund manager voted	Control of board	Control of board	Control of board
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	n/a	n/a	n/a

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Rationale for the voting decision	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. 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.	In May 2022, Pharmathen launched a sustainability assessment with EcoVadis. The results will be incorporated into Pharmathen's ESG Strategy.	Due to the early stage of the investment, ESG initiatives are yet to be introduced. ESG initiatives are expected to be set forth in the second quarter of 2023 after its first ESG key performance indicator survey.
Outcome of the vote	n/a	n/a	n/a

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Implications of the outcome	Meanwhile, several initiatives were implemented to improve 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.	The company has a strong ESG culture as reflected in its core mission of making a positive impact on the lives of people by ensuring that they enjoy better health.	In the meantime, Premistar has engaged a third party ESG consultant to identify material sustainability topics and craft a longer term ESG journey and strategy. Premistar is looking to hire an ESG manager and sales strategy employee, as the company aims to launch an energy efficiency sales strategy with customers.
Criteria on which the vote is assessed to be “most significant”	Size of holding in fund	Size of holding in fund	Size of holding in fund

The voting information supplied by Partners Group relates to private market investments since the listed equity investments in the Fund are small

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Information on the most significant engagement case studies for LGIM as a company for the funds containing public equities or bonds as at 31 December 2022 (latest available) is shown below:

LGIM Firm-level	Case Study 1	Case Study 2	Case Study 3
Name of Enity engaged with	ExxonMobil	BP Plc	J Sainsbury Plc
Topic	Environment: Climate change (Climate Impact Pledge)	Environment: Climate change (Climate Impact Pledge)	Social: Income inequality - living wage (diversity, equity and inclusion)
Rationale	As one of the world's largest public oil and gas companies in the world, we believe that Exxon Mobil's climate policies, actions, disclosures and net zero transition plans have the potential for significant influence across the industry as a whole, and particularly in the US. At LGIM, we believe that company engagement is a crucial part of transitioning to a net zero economy by 2050. Under our Climate Impact Pledge, we publish our minimum expectations for companies in 20 climate-critical sectors. We select roughly 100 companies for 'in-depth' engagement - these companies are influential in their sectors, but in our view are not yet leaders on sustainability; by virtue of their influence, their improvements would be likely to have a knock-on effect on other companies within the sector, and in supply chains. Our in-depth engagement is focused on helping companies meet these minimum expectations, and understanding the	As one of the largest integrated oil and gas producers in the world, BP has a significant role to play in the global transition to net zero, hence our focus on this company for in-depth engagements. As members of the CA100+ we commit to engaging with a certain number of companies on their focus list and on account of our strong relationship with BP, we lead the CA100+ engagements with them. At LGIM, we believe that company engagement is a crucial part of transitioning to a net zero economy by 2050. Under our Climate Impact Pledge, we publish our minimum expectations for companies in 20 climate-critical sectors. We select roughly 100 companies for 'in-depth' engagement - these companies are influential in their sectors, but in our view are not yet leaders on sustainability; by virtue of their influence, their improvements would be likely to have a knock-on effect on other companies within the sector, and in supply chains. Our in-depth engagement is focused	Ensuring companies take account of the ‘employee voice’ and that they are treating employees fairly in terms of pay and diversity and inclusion is an important aspect of our stewardship activities. As the cost of living ratchets up in the wake of the pandemic and amid soaring inflation in many parts of the world, our work on income inequality and our expectations of companies regarding the living wage have acquired a new level of urgency. LGIM’s expectations of companies: i) As a responsible investor, LGIM advocates that all companies should ensure that they are paying their employees a living wage and that this requirement should also be extended to all firms with whom they do business across their supply chains. ii) We expect the company board to challenge decisions to pay employees less than the living wage. iii) We ask the remuneration committee, when considering remuneration for

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	hurdles they must overcome. For in-depth engagement companies, those which continue to lag our minimum expectations may be subject to voting sanctions and/ or divestment (from LGIM funds which apply the Climate Impact Pledge exclusions). UN SDG 13: Climate action	on helping companies meet these minimum expectations, and understanding the hurdles they must overcome. For in-depth engagement companies, those which continue to lag our minimum expectations may be subject to voting sanctions and/ or divestment (from LGIM funds which apply the Climate Impact Pledge exclusions). UN SDG 13: Climate action	executive directors, to consider the remuneration policy adopted for all employees. iv) In the midst of the pandemic, we went a step further by tightening our criteria of bonus payments to executives at companies where COVID-19 had resulted in mass employee lay-offs and the company had claimed financial assistance (such as participating in government-supported furlough schemes) in order to remain a going concern. With over 600 supermarkets, more than 800 convenience stores, and nearly 190,000 employees, Sainsbury's is one of the largest supermarkets in the UK. Although Sainsbury's is currently paying higher wages than many other listed supermarkets, the company has been selected because it is more likely than many of its peers to be able to meet the requirements to become living-wage accredited. UN SDG 8: Decent work and economic growth"

IMPLEMENTATION STATEMENT (continued)
For the year ended 30 September 2023

Outcomes and next steps	Since 2021, we have seen notable improvements from Exxon Mobil regarding our key engagement requests, including disclosure of Scope 3 emissions, a 'net zero by 2050' commitment (for Scopes 1 and 2 emissions), the setting of interim operational emissions reduction targets, and improved disclosure of lobbying activities. However, there are still key areas where we require further improvements, including inclusion of Scope 3 emissions in their targets, and improving the level of ambition regarding interim targets. We are also seeking further transparency on their lobbying activities. The company remains on our divestment list (for relevant funds), but our engagement with them continues.	We will continue engaging with BP on climate change, strategy and related governance topics. Following the company's decision to revise their oil production targets, we met with the company several times in early 2023 to discuss our concerns.	Since filing the shareholder resolution, Sainsbury's has made three further pay increases to its directly employed workers, harmonising inner and outer London pay and is now paying the real living wage to its employees, as well as extending free food to workers well into 2023. We welcome these actions which demonstrate the value the board places on its workforce. We have asked the board to collaborate with other key industry stakeholders to bring about a living wage for contracted staff.