Implementation Statement

Building & Civil Engineering Benefits Scheme

Purpose of this statement

This implementation statement has been produced by the Trustee of the B&CE Benefits Pension Scheme ("the Scheme") and sets out the following information over the year to 31 March 2023:

- how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year; and
- the voting activity undertaken by the Scheme's investment managers on behalf of the Trustee over the year, including information regarding the most significant votes.

Stewardship policy

The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers. The Scheme's LDI portfolio is effectively segregated but is accessed via a bespoke pooled fund arrangement with LGIM where the Scheme is the only investor in this fund.

The Trustee's policy on voting and engagement is set out in the Scheme's Responsible Investment ("RI") Policy, which forms part of the Statement of Investment Principles dated September 2020. To enable the Trustee to make high quality decisions, the fact-finding and analysis is delegated to the in-house investment team of People's Partnership and the Trustee's independent investment advisers. The Trustee's RI Policy notes a key priority of engaging with companies in an investment portfolio regarding issues believed to have a material impact (both positive and negative) on future returns. The Trustee is looking for fund managers who are prepared to:

- Be transparent and accountable;
- Enhance and evolve ESG practices in markets;
- Develop long-term partnerships with companies and guide them through the evolution in ESG practices.

In addition, the Trustee will take into account whether their managers are signatories to the Principles for Responsible Investment (PRI) and UK Stewardship Code. *All of the Scheme's managers as at the year-end are signatories to the PRI, as well as the Scheme's investment adviser. All of the Scheme's managers as at year-end were signatories to the 2012 UK Stewardship Code. All fund managers, as well as the Scheme's investment advisor, are signatories to the 2020 UK Stewardship Code*[1].

The Trustee has established ownership/voting principles with their managers. These principles include researching companies, identifying any issues and then engaging with them as necessary. Voting and engagement focuses on a range of themes including:

- Election of Directors and Boards;
- Accounting and Audit Related Issues;

[1] In relation to the BNY Mellon Fund, the underlying manager is Newton Investment Management, and it is they who are signatories of the Stewardship Codes.

- Capital Structure, Reorganisation and Mergers;
- Compensation;
- Environmental and Social Issues.

The Trustee has interpreted these areas as their stewardship priorities within their Responsible Investment policy.

How voting and engagement/stewardship policies have been followed

The monitoring and reporting on RI is as shown below, along with the actions taken in respect of the year under review.

1. The Trustee's investment advisers produce an annual sustainability report summarising the voting and engagement activity of the fund managers based on a review of reports and other information provided by the fund managers. This includes information on voting and engagement, together with ratings on voting and engagement in action, as well as scores provided by the PRI on different asset classes where available. This is to ensure that managers used by the Scheme continue to meet the Trustee's standards in this area. Where any material areas of disagreement are identified these are highlighted to the Trustee.

   The Trustee undertook a review of the stewardship and engagement activities of their fund managers via receipt and review of their investment advisers' report (issued in February 2023). The contents of the report were reviewed and discussed by the Trustee in their meeting during the first quarter of 2023. The result of the review was that the Trustee was satisfied that the actions of their fund managers were reasonably in alignment with the Scheme's stewardship policies and no significant remedial action was required at that time. This is an annual review.

2. Where relevant, the Trustee's investment advisers consider a fund manager's stewardship credentials when advising on investment issues.

   The Scheme sold its holding in the Partners Fund over the year under review. No new managers have been formally appointed over the year. Manager stewardship credentials were taken into account when advising on investment issues over this period. Managers' stewardship credentials form part of the annual sustainability review as outlined in item 1, above, and any noteworthy developments are also noted in quarterly investment monitoring reports.

3. As the Trustee invests in funds alongside other investors, they recognise that their chosen managers' prioritisation of issues for engagement and voting may not be the same as their own. As far as practicable, the Trustee undertakes a formal engagement process with each manager every year to ensure that there is a good alignment of views and issues to prioritise over the coming year.

   This was not deemed necessary over the year under review. This reflects the reporting provided by the Trustee's investment advisers as noted in item 1, above.

4. The Trustee expects investment managers to be voting and engaging on behalf of the fund's holdings and the Scheme monitors this activity within the Implementation Statement in the Scheme's Annual Report and Accounts.

   The Trustee reviewed the contents of this Statement prior to signing.

Voting and engagement data is set out in the remainder of this Statement for the relevant funds/managers.

Prepared by the Trustee of the B&CE Benefits Scheme

Voting Data

This section provides a summary of the voting activity undertaken by the investment managers within the Scheme's Growth Portfolio on behalf of the Trustee over the year to 31 March 2023. Please note that there are no voting rights in relation to underlying assets of the Scheme's holdings with Legal & General Investment management Limited ("LGIM").

Manager	State Street (SSGA)	BNY Mellon	Partners Group*
Fund name	International (Developed 100% Hedged) ESG Screened Index Equity Fund	Real Return Fund	Partners Fund
Structure	Pooled		
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.		
No. of eligible meetings	2,774	78	58
No. of eligible votes	33,501	1,287	853
% of resolutions voted	98.9%	100.0%	100.0%
% of resolutions abstained[1]	1.4%	0%	2.0%
% of resolutions voted with management[1]	89.5%	89.2%	94.0%
% of resolutions voted against management[1]	10.5%	10.8%	4.0%
Proxy voting advisor employed	SSGA contract Institutional Shareholder Services' (ISS) to administer proxy voting, assist in applying SSGA's voting guidelines, provide research and analysis relating to general corporate governance issues and specific proxy items, and provide proxy voting guidelines in limited circumstances. SSGA also has access to Glass Lewis and region-specific meeting analysis provided by the Institutional Voting Information Service. All final voting decisions are based on their proxy voting policies and in-house operational guidelines.	BNY Mellon utilises an independent voting service provider for the purposes of managing upcoming meetings and instructing voting decisions via its electronic platform, and for providing research. Its voting recommendations are not routinely followed; it is only in the event that BNY Mellon recognise a potential material conflict of interest that the recommendation of their external voting service provider will be applied. BNY Mellon do not maintain a voting policy with ISS. They apply their own BNY Mellon voting guidelines, as mentioned above.	Partners uses Glass Lewis and also have their own voting policy.

[1] As a percentage of the total number of resolutions voted on

Manager	State Street (SSGA)	BNY Mellon	Partners Group*
% of resolutions voted against proxy voter recommendation	8.1%	7.0%	1.1%

*The Scheme fully disinvested from the Partners Fund in November 2022. Partners only provide updates on voting statistics semi-annually. The most recent data available is as at 31 December 2022. It is worth noting that the reported voting data is limited to listed equity holdings (typically only a small proportion of the portfolio), with the balance being in private markets investments. Private markets investments are the largest exposure within the fund and these are typically held directly, where Partners Group controls the board and therefore the direction/strategy of the business – in this way, voting information by the manager is not applicable for these holdings.

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 Trustee over the year to be set out. The guidance does not currently define what constitutes a "significant" vote. However, recent guidance (from the DWP in June 2022) states that a significant vote is likely to be one that is linked to one or more of the Scheme's stewardship priorities, which are listed in the "Stewardship policy" section above.

The Scheme has established ownership/voting principles. As noted above, as the Scheme invests in funds alongside other investors, the Trustee recognises that their chosen managers prioritisation of issues for engagement and voting may not be the same as their own. However, they look for good alignment and consider this as part of their annual review of sustainability matters. Through the information detailed in this Statement they are comfortable that the voting undertaken on their behalf was broadly reflective of their own policies and not inconsistent with the stewardship priorities as set out in their Responsible Investment policy. Whilst the Trustee did not notify their asset managers what they consider to be the most significant votes in advance of those votes being taken, their RI policy (which includes information on stewardship priorities) has been re-confirmed with the investment managers as part of preparing this Statement.

The Trustee has selected 8 significant votes for the SSGA fund from a longer list provided by the manager of votes that they deem significant. The 8 votes chosen by the Trustee are based on voting themes the Trustee focuses on and the largest holdings within these themes.

BNY Mellon have provided a selection of 10 votes for the BNY Mellon Real Return Fund. The Trustee selected all 10 votes based on voting theme as the most significant votes.

For Partners Group, given the private market nature of the majority of the assets where they tend to control the board, they have provided examples of ESG efforts of some of the companies that they invest in, as opposed to actual votes cast in relation to their small holding in listed equity. Due to the fact that listed equities are held for liquidity purposes, Partners did not select any votes relating to these holdings as significant votes. The Trustee showed the first 3 examples below for the following reasons:

- The information Partners provided relate to their private equity holdings in which Partners have the control of the board. As a result, the significant votes are examples of engagement rather than how they voted on various resolutions;
- The Scheme fully disinvested from this fund in November 2022, hence it was not exposed to the fund over the whole accounting period. A summary of some of their ESG efforts is therefore appropriate.

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

State Street, International (Developed 100% Hedged) ESG Screened Index Equity Fund – Table 1 of 2

	Vote 1	Vote 2	Vote 3	Vote 4
Company name	Microsoft Corporation	Tesla, Inc.	Alphabet Inc.	Meta Platforms, Inc.
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	3.7%	1.5%	1.4%	0.8%
Summary of the resolution	Report on Climate Change	Community - Environment Impact	Establish Environmental/Social Issue Board Committee	Advisory Vote to Ratify Named Executive Officers' Compensation
Management recommendation	Against	Against	Against	For
How SSGA voted	Against	For	Against	Against
Rationale for the voting decision	This proposal did not merit support as the company's disclosure and/or practices related to climate change are reasonable.	This proposal merits support as the company's environmental disclosure and/or practices can be improved.	This item did not merit support due to concerns with the terms of the proposal.	This item did not merit support as SSGA had concerns with the proposed remuneration structure for senior executives at the company.
Outcome of the vote	For: 11% Against: 89%	For: 35% Against: 64%	For: 5% Against: 95%	For: 86% Against: 14%
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.			
Criteria on which the vote is considered "significant"	Environmental related shareholder proposal	Environmental related shareholder proposal	Environmental and social related shareholder proposal	Compensation related proposal

State Street, International (Developed 100% Hedged) ESG Screened Index Equity Fund – Table 2 of 2

	Vote 5	Vote 6	Vote 7	Vote 8
Company name	Amazon.com, Inc.	JPMorgan Chase & Co.	Broadcom Inc.	Shin-Etsu Chemical Co., Ltd.
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	2.0%	0.7%	0.4%	0.1%
Summary of the resolution	Facility Safety	Advisory Vote to Ratify Named Executive Officers' Compensation	Advisory Vote to Ratify Named Executive Officers' Compensation	Elect Director
Management recommendation	Against	For	For	For

	Vote 5	Vote 6	Vote 7	Vote 8
How SSGA voted	Abstain	Against	Against	Against
Rationale for the voting decision	SSGA abstained on the proposal as the company's disclosure and/or practices related to facility safety are broadly in line with market standard but could be enhanced.	This item does not merit support as SSGA has concerns with the proposed remuneration structure for senior executives at the company.	This item does not merit support as SSGA has concerns with the proposed remuneration structure for senior executives at the company.	SSGA voted against the nominee due to the lack of gender diversity on the board and the company has not engaged in successful dialogue on SSGA's board gender diversity program for three consecutive years.
Outcome of the vote	For: 13% Against: 87%	For: 31% Against: 68%	For: 80% Against: 20%	SSGA were unable to provide the outcome of this vote
Implications of the outcome	Where appropriate SSGA will contact the company to explain their voting rationale and conduct further engagement.			
Criteria on which the vote is considered “significant”	Environmental and social related shareholder proposal	Compensation	Compensation	Director election

BNY Mellon, Real Return Fund – Table 1 of 2

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
Company name	Greencoat UK Wind Plc	Universal Music Group NV	ConocoPhillips	ConocoPhillips	ConocoPhillips
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.7%	0.6%		1.2%	
Summary of the resolution	Re-elect Shonaid Jemmett-Page as Director	Approve Remuneration Report	Elect Director Jody Freeman	Elect Director Jeffrey A. Joerres	Elect Director William H. McRaven
How BNYM voted	Against	Against	Against	Against	Against
Rationale for the voting decision	BNYM raised concerns over the past share issuance undertaken by the trust. BNYM believe the share placing was not conducted in a manner that was in the best interests of shareholders and the share placing would be at a discount to NAV had it been recalculated on the back of increasing power prices.	BNYM believe there is inadequate information regarding the various one-off grants, specific targets, thresholds, and pay-outs, to be able to arrive at an informed voting decision. The short-term awards employ a metric that ensures the CEO receives the bonus more in the form of royalty than the metric being an actual driver of growth and incentivising the executive to perform.	BNYM voted against the incumbent Public Policy and Sustainability Committee Chair due to the limited responsiveness to the majority-backed shareholder proposal at last year's AGM, notably on disclosing Scope 3 targets. In complement, BNYM supported the shareholder proposal requesting reporting on GHG targets, and notably Scope 3 emissions across the value chain.	BNYM voted against remuneration arrangements as they note a slight misalignment in pay and performance that is aggravated by concerns around LTI (Long-Term Incentive) grants. The LTI are constantly earned above targets, casting doubt over the stringency of the awards. The STI (Short-Term Incentive) scorecard lacks disclosure on key pieces of information that would allow BNYM to mitigate pay-for-performance concerns. BNYM would have also appreciated a cap on negative TSR (Total Shareholder Return). Consequently, BNYM opposed incumbent remuneration committee members.	
Outcome of the vote	15% voted against	29% voted against	4% voted against	3% voted against	1% voted against
Implications of the outcome	The vote outcome demonstrates that a majority of shareholders are not concerned with the potential valuation dilution. As such, these shareholders' right to complain is lost should the company place new shares with investors that are priced below the share's net asset value.	Owing to the company having controlling shareholders, the vote outcome shows that a majority of the minority shareholders failed to support the CEO's compensation and retain concerns had with remuneration arrangements.	While the director election did not have significant dissent based on BNYM's rationale, due to insufficient action on disclosing scope 3 targets, a complementary climate related shareholder proposal asking for emission reduction targets gathered majority support.	While the dissent on the incumbent compensation committee member's election was not significant, the underlying say-on pay proposal had significant dissent (39% AGAINST). The outcome reflects increasing scrutiny and dissatisfaction of shareholders with executive pay practices, where the company will need to conduct external discussions to be able to effectively address shareholder concerns.	

	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
			Consequently, BNYM expect the board to take some action on their climate plan to address this support.		
Criteria on which the vote is considered "significant"	Director election	Compensation	Director election	Director election	Director election

BNY Mellon, Real Return Fund – Table 2 of 2

	Vote 6	Vote 7	Vote 8	Vote 9	Vote 10
Company name	Informa Plc	Universal Music Group NV	ConocoPhillips	ConocoPhillips	Abbott Laboratories
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.6%	0.6%	1.2%		0.7%
Summary of the resolution	Approve Remuneration Report	Elect Cyrille Bollore as Non-Executive Director	Report on GHG Emissions Reduction Targets	Report on Lobbying Payments and Policy	Report on Lobbying Payments and Policy
How BNYM voted	Against	Against	For	For	For
Rationale for the voting decision	CEO pay increased amidst poor TSR performance and payouts do not reflect shareholder experience.	BNYM voted against the election of a director due to overboarding concerns.	BNYM supported the shareholder proposal requesting reporting on GHG targets, and notably Scope 3 emissions across the value chain.	BNYM also supported a shareholder proposal requesting a report on the company's policies and procedures governing both direct and indirect lobbying activities.	BNYM supported a shareholder proposal requesting additional disclosure around lobbying payments made by the company as this will be beneficial for shareholders to better assess the related risks.
Outcome of the vote	71% voted against	21% voted against	39% voted for	20% voted for	35% voted for
Implications of the outcome	The vote outcome is a clear indication of persistent shareholder dissatisfaction with pay practices at the company. The dissent recorded is one of the largest and the company will need to address shareholders' concerns. BNYM expect to engage	Owing to the company having controlling shareholders, the vote outcome shows that a significant portion of the free float highlighted the risk of excessive mandates not allowing the director to fulfil his duties.	Majority and near majority support for shareholder proposals highlight the growing areas of concern in the US market.		While the vote outcome in relation to the remuneration will barely register with the company, the near majority support for the two shareholder proposals provides an increased likelihood of shareholders' rights being improved. The

	Vote 6	Vote 7	Vote 8	Vote 9	Vote 10
	with the company and continue exercising future votes in support of their views.				improvements will require further shareholder votes at a future AGM in order for the company to make the necessary changes to its bylaws.
Criteria on which the vote is considered "significant"	Compensation	Director election	Environmental related shareholder proposal	Social related shareholder proposal	Social related shareholder proposal

Partners, Partners Fund

It is worth noting that the Partners Fund has a very small proportion of its holdings in publicly listed equities, with the majority of its assets in private assets. Efforts 1-3 in the tables below are examples of significant ESG efforts taken by the private companies held in the Partners Fund. Partners have selected these examples based on size of holdings in the fund. Private markets investments are the largest exposure within the fund and these are typically held directly, where Partners Group controls the board and therefore the direction/strategy of the business – in this way, voting information by the manager is not applicable for these holdings. The Partners Fund's exposure to listed equity is usually less than 10%.

	Effort 1	Effort 2	Effort 3
Company name	Confluent Health	EyeCare Partners	Pharmathen
Engagement and outcome	Confluent has an environmental impact assessment underway and has also engaged a third-party consultant to determine its greenhouse gas footprint. 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. Confluent has also expanded its stakeholder benefits program. 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.	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. Meanwhile, 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	In May 2022, Pharmathen launched a sustainability assessment with EcoVadis. The results will be incorporated into Pharmathen's ESG Strategy. 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.

engagement surveys conducted during the first half of 2022.

Fund level engagement

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

LGIM carry out engagement activities at a firm-wide level, however, they are able to provide some information on their engagements at a fund level as well. Engagement activities are limited for the Scheme's LDI portfolio due to the nature of the underlying holdings, so engagement information for these assets have not been shown. Additionally, the engagement information is not shown for the Partners Fund. Given the nature of private markets investments they were unable to provide breakdown of engagement activities at a fund level. However, the example ESG efforts information in the previous section provides examples of engagement – please see this section of this Statement for more information.

State Street carry out engagement activities at a firm-wide level and the information provided reflects this.

Manager	BNYM	LGIM	SSGA
Fund name	Real Return Fund	Sterling Liquidity Fund	International (Developed 100% Hedged) ESG Screened Index Equity Sub-Fund
Number of engagements undertaken on behalf of the holdings in this fund in the year	36	33	582
Number of engagements undertaken at a firm level in the year	186	1,685	878

The data below is a summary of State Street and LGIM's global engagement at a firm level for the year to 31 March 2023.

Manager	State Street (SSGA)	LGIM
Number of companies engaged	593	1,373
Number of engagements on environmental topics	474	835
Number of engagements on governance topics	798	706

Manager	State Street (SSGA)	LGIM
Number of engagements on social topics	1,211	504
Examples of engagements undertaken with holdings in the funds	SSGA's main engagement topics include: • Climate Change • Human capital management • Diversity, Equity, and Inclusion • Effective Board Leadership	LGIM's main engagement topics include: • Remuneration • Climate change • Board composition • Strategy • Gender diversity

Examples of engagement activity undertaken over the year to 31 March 2023

State Street

Santos Limited, Environmental related engagement

In May 2022, State Street engaged with Santos Limited to discuss their Climate Transition Action Plan and capital allocation plans around decarbonisation, developing lower carbon fuels, and investing in carbon capture and storage projects. During the engagement, State Street highlighted opportunities to enhance certain areas of disclosure in line with peers in the Australian market including adopting short-term greenhouse gas targets, strengthening disclosure on current and planned capital investments to achieve interim and long-term climate goals, and providing more detail on emissions reduction strategies for operated assets, including methane monitoring and reduction efforts.

Regarding Scope 3 emissions, State Street see an opportunity for Santos Limited to provide enhanced disclosure on opportunities for incremental Scope 3 reductions in line with their guidance. While State Street recognise the challenges around Scope 3 calculation and reduction efforts, investor demand for Scope 3 GHG targets is growing, and it is becoming market practice among major oil and gas companies in European and North American markets to adopt such goals. State Street also believe investors would benefit from information on Internal Rate of Return requirements for low carbon projects, which would provide additional transparency into how the company is thinking about return hurdles for low carbon investments compared to conventional investments.

As a result of their assessment and engagement with the company, State Street voted ABSTAIN as Santos aligns with several elements of their expectations but has an opportunity for improved disclosure. State Street believe that enhanced disclosure in line with the items above would give investors more comfort around Santos' strategy to operationalise their climate goals and better align with disclosure practices among oil and gas companies locally and globally. State Street are committed to an ongoing dialogue with the company and will monitor progress on their climate transition plan commitments.

BNY Mellon

Shell, Environmental related engagement

BNY Mellon met management in order to get a better understanding of the voluntary carbon-offset market given the company actively trades and has also ventured into developing its own nature-based solution (NBS) projects generating carbon offsets. Specifically, BNY Mellon wanted to learn about the supply and demand dynamics and the pricing trends over the medium to long term.

The company believes carbon offsets are a necessary part of the toolkit to get to net zero. The company favours better quality of carbon offsets and only trades and invests in high-quality offsets such as those with gold and platinum standard. BNY Mellon note that there are some concerns around the creditability of NBS projects in the market. The company currently captures six million tons of CO_2 through NBS and has a target to reach 120 million tons by 2030. It plans to source the majority of these credits from its own projects in the longer term. BNY Mellon note that it takes nine years for forests to yield significant offsets. The company has purchased projects at various development stages which are expected to yield results in less time. The company highlighted that current carbon prices are in the range of US$50-60, whereas the carbon offset prices trade at a range of US$3-25, which provides room for a sustainable business model with a win-win situation, including for the local communities. It sees business and commercial opportunity in the carbon-offset space in addition to the climate-change angle.

The details BNY Mellon got from the conversation were a little short of their expectations. BNY Mellon intend to continue their interactions with Shell on carbon markets as well as its new energy initiatives considering the company has first mover advantage and industry-leading positions in a lot of these.

LGIM

Unite Group, Social related engagement

In 2020, LGIM launched a campaign to engage with the largest 100 companies in the UK and the largest 500 companies in the US on ethnic diversity at board level. LGIM requested that they should have ethnically diverse representation at board level by 2021, or face voting sanctions.

Of the 79 companies with whom LGIM engaged due to them not meeting their expectations, LGIM ultimately only voted against one US company. However, due to turnover during the year and new board appointments, several new companies have been flagged as having no ethnic diversity. Therefore, LGIM continued their focus and wrote to the remaining companies in the FTSE 100 and S&P 500, to remind them of their expectations and that voting sanctions will apply if diversity is not improved. There are six companies within these indices (including Unite Group) that currently do not have any ethnicity on the board, and voting sanctions will be applied at the 2023 AGM if progress is not made.

LGIM have also widened their scope for this campaign and plan to engage those companies failing to meet their minimum expectations within the broader FTSE 250 and Russell 1000 indices. LGIM's expectation for the companies in these additional indices is identical but, in line with the UK's Parker Review, LGIM allow these smaller companies more time to meet their expectations and will therefore expect compliance by 2024.