

Thorntons Pension Scheme (the “Scheme”)

Engagement Policy Implementation Statement (the “Statement”) for the year to 31 May 2024

Introduction

This Statement sets out how, and the extent to which, the stewardship (voting and engagement) policies set out in the Trustee's Statement of Investment Principles ('SIP') dated October 2023 have been followed during the year to 31 May 2024.

This Statement has been produced in accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 as amended and the guidance published by the Pensions Regulator.

Investment Objectives of the Scheme

The Trustee believes it is important to consider the policies in place in the context of the investment objectives it has set. The Trustee has agreed a number of objectives to help guide it in its strategic management of the assets and control of the various risks to which the Scheme is exposed.

The Trustee's primary objectives are as follows:

- To make sure that the Trustee can meet its obligations to the beneficiaries of the Scheme taking into account the funding level of the Scheme and the strength of covenant of the Employer; and
- To pay due regard to the interest of the Employer on the size and incidence of its contribution payments.

Given the nature of the liabilities, the investment time horizon of the Scheme is potentially long-term (i.e. several decades). However, any future opportunities to transfer liabilities (fully or partially) to an insurance company (e.g. through the purchase of bulk annuities with an insurance company) may shorten the Scheme's investment horizon significantly.

The Trustee understands, following discussions with the Employer, that the Employer is willing to accept some degree of volatility in its contribution requirements in order to reduce the long-term cost of the Scheme's benefits.

Policy on Environmental, Social and Governance ('ESG'), Stewardship and Climate Change

As set out in its SIP, the Trustee has agreed policies in relation to ESG factors, stewardship and climate change. In particular the SIP sets out the Trustee's policies with regard to:

- The exercise of the rights (including voting rights) attaching to the investments held by the Scheme.
- The undertaking of engagement activities with the issuers of the investments held by the Scheme.
- How to incentivise the Scheme's appointed investment managers to align their investment strategy and decisions with the Trustee's policies.
- How to incentivise the investment managers to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity they invest in on the Trustee's behalf.
- How to incentivise the investment managers to engage with issuers of debt or equity that they invest in on the Trustee's behalf in order to improve the issuer's performance over the medium to long-term.
- How the method (and time horizon) of the evaluation of the investment managers' performances, and the managers' remunerations for asset management services, are aligned with the Trustee's policies.
- How the Trustee monitors portfolio turnover costs incurred by the investment managers, and how it defines and monitors targeted portfolio turnover or turnover range.
- The duration of the Trustee's arrangements with the investment managers.

Engagement

Set out below is a summary of the work undertaken during the year by the Trustee relating to its stewardship policies and an assessment of how the Trustee's engagement and voting policies were implemented by its appointed investment managers during the year. **In the Trustee's opinion, the implementation of the Trustee's policies has been acceptable over the reporting year.**

- With the assistance of its investment consultant, Mercer Limited ("Mercer"), the Trustee reviewed the stewardship activity of its investment managers. This is with the exception of the Trustee's appointed Additional Voluntary Contributions providers, where the assets held form only a very small part of the Scheme's total invested assets.
- As part of these reviews, the Trustee considered Mercer's assessment of how each manager incorporates stewardship considerations into its investment processes, noting and discussing any changes to Mercer's assessments. Mercer summarises its assessment of each manager by means of an "ESG" rating, an ESG rating of 1 indicating that Mercer believes an investment manager is fully embedding stewardship matters into its investment process and a rating of 4 indicating that Mercer believes an investment manager takes little account of stewardship matters.
- All of the managers retained acceptable ESG ratings during the year, taking into account the asset class / investment structure for their mandate.
- The Trustee also received direct reporting from its investment managers on stewardship activity.
- The Trustee expects the investment managers to undertake stewardship in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code. Managers who are FCA registered are expected to report on their adherence to the UK Stewardship Code on an annual basis. All managers, at the Trustee's request, have recently confirmed their compliance with the principles of the UK Stewardship Code.

Aviva engaged with companies on a number of issues, including environmental issues such as climate change related topics, natural resource use, deforestation, and pollution and waste as well as social issues, namely public health, human and labour rights, and human capital management. Lastly, Aviva engaged with various companies on governance related topics such as board governance, leadership and remuneration.

An example of **Aviva's** engagement activity is outlined below:

- Aviva engaged with Imperial College London (White City) on climate change related topics, specifically performing a National Australian Built Environment Rating System & net zero due diligence audit (a process that evaluates the environmental performance of a building or tenancy (Nabers)). The assessment measures various aspects of sustainability, including energy efficiency, water usage, waste management, and indoor environment quality. Aviva Carried out a net zero due diligence audit of the tenant's demise and proposed recommendations for improvements. Aviva has also instructed BuroHaplod to carry out a Nabers assessment of the building which will provide an accreditation for the asset, as well as propose any improvement measures.

BlackRock engaged with companies on a number of issues, including strategy, purpose, and financial resilience, board quality and effectiveness, incentives aligned with financial value creation, climate and natural capital and company impacts on people

An example of **BlackRock's** engagement activity is outlined below:

- BlackRock engaged with B2Gold Corp. (B2Gold), a Canadian mining company which operates gold mines in Mali, Namibia, and the Philippines. BIS (BlackRock Investment Stewardship) has held multi-year engagements (including in partnership with members of BlackRock's active portfolio management team) with B2Gold's corporate leadership, to better understand the company's approach to board composition and effectiveness, including the experiences and skillsets of its directors.
- At B2Gold's June 2021 AGM, BIS signalled concerns about the independence and composition of the company's board of directors by not supporting the election of six out of nine directors nominated by management. The long tenure of certain directors was a specific area of focus. BIS engaged with B2Gold's corporate leadership in 2022 to discuss these aforementioned issues. BlackRock was encouraged to learn about the company's planned actions to address shareholder feedback, including committing to meaningful board refreshment by 2023, and voted in support of management's recommendation on all items at the June 2022 AGM.
- At the June 2023 AGM, the board completed its refreshment process by nominating three new directors for election. Specifically, the board identified directors (including two female directors) with financial and professional expertise in the mining industry, and geographic experience in the African markets in which B2Gold operates. Based on these significant steps to enhance the board's composition, BIS supported all management recommendations at the June 2023 AGM.
- The election of directors at the June 2023 AGM received majority shareholder support. BIS acknowledged B2Gold's focus on improving the quality of the board and their receptiveness to shareholder feedback.

Hermes continued its focus on the most material drivers of long-term value, with a focus on four priority themes: climate change action, human rights, human capital and board effectiveness/ethical business culture. In addition, Hermes sought to expand its engagement on a number of increasingly important issues beyond these priorities. Biodiversity, digital rights and tax have become ever more important in the context of responsible investment and have been the focus of increased attention over the last year.

An example of **Hermes'** engagement activity is outlined below:

- Hermes has been engaging with Credicorp on the development of an ESG due-diligence framework since 2018. Although at that time some of Credicorp's subsidiaries had their own procedures to incorporate environmental, social and governance factors into lending decision-making, Hermes asked Credicorp to develop a group-wide ESG due-diligence framework, to be implemented across the subsidiaries, ensuring consistency and adherence to international best practice.
- The manager has had several meetings with management, including the CEO and head of sustainability, the board and external consultants between 2018 and 2023, at the request of Credicorp. During these calls, Hermes emphasised the importance of developing a structured approach to incorporate ESG factors in the assessment of loan applications and to provide input into its development, based on practices adopted by global and regional financial services groups. The manager provided feedback to technical teams, management and the board at various steps in the development of the due diligence framework. Based on the experience of some of Credicorp's peers, Hermes highlighted the role of the "tone from the top", training and incentives in embedding ESG factors into the decision-making process.
- In a meeting with the CEO in June 2023, Hermes explored details around client scoring, assessment methodology, risk mitigation and culture change to enable the embedding of ESG factors into the lending operations. The company confirmed that the ESG risk management and due diligence framework was being rolled out across the group, with clients being scored according to their ESG risk based on general and sectoral questionnaires.

LGIM engaged with companies on a wide variety of issues related to the ESG metric. The top five engagement topics were climate change, remuneration, strategy, board composition and climate mitigation.

An example of **LGIM's** engagement activity is outlined below:

- LGIM engaged with APA, Australia's largest energy infrastructure business. Under LGIM's Climate Impact Pledge campaign, the manager has been engaging with the company directly since 2022; as one of LGIM's selected 'dial mover' companies, it believes it has the scale and influence across its industry and value chain for its actions to have positive reverberations beyond its direct corporate sphere. In LGIM's engagements with them, which are guided by its qualitative assessment criteria as set out in LGIM's multi-utilities sector guide, in terms of 'red lines' the company was identified as lagging LGIM's expectations on climate-related lobbying activities.
- In early 2022, LGIM set out its expectations for management-proposed 'Say on Climate' votes and the criteria it considers in assessing whether to support them. The manager expects companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. This includes the disclosure of Scope 1, 2 and material Scope 3 GHG emissions and short, medium and long-term GHG emissions reduction targets consistent with the 1.5°C goal.
- As a consequence, when APA Group brought its climate transition plan to a vote, LGIM was unable to support it: although the plan presented Scope 1 and 2 goals for the medium and long term on a path to achieving net zero emissions by 2050, no Scope 3 targets were included. The company noted that these would be finalised no later than 2025.
- LGIM initiated engagement with the company after this vote and met with them for the first time in early 2023 as part of its Climate Impact Pledge engagement. LGIM has continued to build the relationship, setting out its expectations as per its net zero guide and working with the company to understand the hurdles it faces and the challenges to meeting these expectations.

- LGIM was very pleased that, in its meeting with them in early 2024, APA confirmed that they will include a Scope 3 goal in the 2025 refresh of their Climate Transition Plan, and they outlined their proposed Scope 3 reduction pathway. The company noted that feedback from the 20% of investors, including LGIM, who voted against their proposed Climate Transition Plan in 2022, had solidified their decision to commit to a Scope 3 target.
- This demonstrates the effect of LGIM's engagement strategy, fully aligned with its voting policy, to encourage progress towards decarbonisation. LGIM looks forward to continuing its engagement with the company on their decarbonisation pathway and journey to net zero.

Ninety One engaged with companies on a number of issues, including social issues such as conduct, culture and ethics, and human capital management (e.g. inclusion & diversity, employee terms, safety), as well as environmental issues, namely climate change, natural resource use and impact and pollution and waste. Additionally, the company also engaged with companies on governance issues such as remuneration, board effectiveness and diversity.

An example of **Ninety One's** engagement activity is outlined below:

- Ninety One is currently co-leading the Climate Action 100+ group to improve carbon disclosures and environmental practices at Oil and Gas company Petróleos Mexicanos (PEMEX). As part of its collaborative engagement efforts leading the Climate Action 100+ group, Ninety One had a call with Pemex (Mexican state-owned petroleum company) in the lead up to the publication of its Sustainability Plan, which focuses on 2030-2050. Ninety One has also co-led an email dialogue with Pemex to chase the publication of the Sustainability Plan, which was due at the end of 2023. Ninety One was informed the administration was working on its conclusion in January in conjunction with a consulting firm and Sustainability Committee and then would deliver it to the Board of Directors for approval. Ninety One will continue to chase this publication.
- Pemex's strategy to optimise field gas usage by the end of 2024 now includes more transparent disclosures, and it will continue to report through CDP (Carbon Disclosure Project). For the first time, Pemex will be disclosing information under the Task Force on Climate-Related Financial Disclosures (TCFD) framework. The manager questioned short-term goals and alignment with the 1.5-degree pathway, reporting disclosures, and potential green/sustainable bond issuance. Ninety One will assess the Sustainability Plan when it is published in the near future.

Mercer manages a **Multi-Asset Credit** mandate for the Scheme. This fund is managed as a fund of funds and engagement with underlying companies is undertaken by the appointed sub-investment managers.

An example of engagement activity undertaken by **an underlying manager** is listed below:

- **CQS** takes a three-pronged approach to engagement, this includes targeted engagement programmes, day-to-day engagement as part of the research function and collaborative engagement. This engagement demonstrates the combination of collaborative engagement and targeted engagement. This can be mapped to UN SDG 13.
- As part of the 2023 CDP Non-Disclosure Campaign, which CQS was a public supporter of, CQS sent a letter to Douglas on behalf of 288 investors representing US\$29 trillion in assets to encourage them to complete the CDP Climate questionnaire. They did not respond.
- CQS arranged a 1-1 meeting with them at the JP Morgan conference to directly engage with them further. The manager wanted to understand why they did not respond to the letter CQS sent, any progress they had made in relation to the carbon-related targets for net zero and staff turnover levels.
- The company told the manager they would not complete the CDP Climate questionnaire but would continue to evolve their ESG strategy so they can be in a position to complete the questionnaire in the future. The firm currently has targets to reduce 50% of scope 1 and 2 carbon emissions by 2025 using a 2019 baseline. They also informed CQS of plans to include scope 3 emissions in targets and get third party validation from the Science Based Targets initiative. However, these plans are still in the development stage so the manager will continue to push and closely monitor. Douglas company

confirmed that they had a turnover rate of 24% across all 26 countries for FY20/21 and they are preparing an updated ESG report which will provide data for the current FY and previous. This will enable comparability between their turnover rates. They highlighted that comparable data from peers is difficult to obtain so comparing against previous years for the firm is most appropriate at the moment.

- Although they haven't responded to the CDP and do not yet have net zero targets in place, this engagement has given CQS confidence that they are on the right track to developing a strong ESG framework and it hopes to see this reflected in their next report and future disclosures.

Voting Activity

As the Scheme was invested solely in pooled funds over the year, the Trustee accepts it has no legal right to the votes available under these arrangements. Given these arrangements, the Trustee does not use the direct services of a proxy voter.

However, as noted above, the Trustee expects the managers to exercise voting rights and undertake stewardship activity that is consistent with the Trustee's stewardship policies.

The Trustee expects the investment managers to provide a summary of their voting activity at least annually. This is reviewed by the Trustee, with the assistance of Mercer, to ensure that voting activity by the managers was in line with the Trustee's policy.

This section sets out a summary of voting activity and the "most significant" votes cast, as defined by the Trustee, in respect of holdings in the pooled funds for which voting is possible (i.e. all funds which include equity holdings).

The Trustees stewardship priorities are as follows:

- **Climate Change ("E");**
- **Human Rights ("S"); and**
- **Diversity, Equity and Inclusion ("G").**

To be deemed a "most significant" vote, a vote must be in relation to one of the Trustee's stewardship priorities, as well as be in respect of a holding that makes up 4% or more of the investment fund. The Trustee did not inform managers of what it considered to be the most significant votes in advance of voting.

The voting rights attached to the Scheme's investments related to its equity holdings during the year. These holdings are managed by BlackRock in the following passively managed pooled funds:

- Aquila Life UK Equity Index Fund;
- Aquila Life World (ex UK) Equity Index Fund;
- Aquila Life Currency Hedged World (ex UK) Equity Index Fund;
- Aquila Life Global Minimum Volatility Fund; and
- BlackRock Emerging Markets Index Sub-Fund.

BlackRock uses the BlackRock Investment Stewardship ("BIS") team to formulate its voting policy. Voting decisions are made by members of the team with input from investment colleagues (as required) and in accordance with BlackRock's Global Corporate Governance and Engagement Principles and custom market-specific voting guidelines. The BIS team subscribes to research from the proxy advisory firms Institutional Shareholder Services and Glass Lewis. There

is therefore indirect use of proxy voters by the Trustee. However, BlackRock does not simply follow any single proxy research firm's voting recommendations and uses several other inputs, including a company's own disclosures and BlackRock's record of past engagements, in its voting and engagement analysis.

Information on voting activity has been provided by BlackRock and is summarised below, including commentary provided by them on the most significant votes, as determined by the Trustee, that have been undertaken on the Trustee's behalf during the Scheme year.

Process for determining the most-significant votes

BlackRock Investment Stewardship prioritises its work around themes that they believe will encourage sound governance practices and deliver sustainable long-term financial performance at the companies in which BlackRock invests on behalf of their clients. BlackRock undertake year-round engagements with its clients to understand their focus areas and expectations to help inform these priorities. The themes identified are reflected in BlackRock's "Global Principles", market-specific voting guidelines and engagement priorities. These underpin their stewardship activities and form the benchmark against which the sustainable long-term financial performance of investee companies is looked at.

Aquila Life UK Equity Index Fund

A summary of the voting undertaken over the year to 31 May 2024 is provided below:

- BlackRock has voted in 1016 meetings of 1053 eligible meetings. In these meetings, there were a total of 14,336 votable proposals.
- BlackRock has voted on 96.5% of resolutions where they were eligible to vote. In around 93% of these votes for proposals BlackRock has indicated their support to the companies' management, while voting against management in around 3% of the proposals. *

Holding details	Resolution details	How the manager voted	Reason for manager's vote and next steps	Outcome of the vote	Why vote is Significant
<p>Company name: HSBC Holdings Plc</p> <p>Approximate size of holding as at date of the vote: 5.4%</p>	<p>Summary of resolution:</p> <p>Instruct the Board to align pension inequality with their commitment to reduce the gender pay gap, by removing the impact of state deduction from the members of the post 1974 Midland Section of the HSBC Bank (UK) Pension Scheme</p> <p>Date of vote: 03/05/2024</p>	Against	<p>Proposal is not in shareholders' best interests.</p> <p>BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	Fail	<p>The Trustee has deemed votes related to Diversity, Equity and Inclusion and the approximate size of the holding at more than 4% to be a significant vote.</p>
<p>Company name: Shell Plc</p>	<p>Summary of resolution:</p>	For	<p>There is no voting reason as the vote was in line with management recommendation.</p>	Pass	<p>The Trustee has deemed votes related to Climate Change</p>

<p>Approximate size of holding as at date of the vote: 7.6%</p>	<p>Approve the Shell Energy Transition Strategy Date of vote: 21/05/2023</p>				<p>and the approximate size of the holding at more than 4% to be a significant vote.</p>
<p>Company name: Shell Plc Approximate size of holding as at date of the vote: 7.6%</p>	<p>Summary of resolution: Advise Shell to align its medium-term emissions reduction targets covering the greenhouse gas (GHG) emissions of the use of its energy products (Scope 3) with the goal of the Paris Climate Agreement Date of vote: 19/05/2023</p>	<p>Against</p>	<p>The request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company. BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	<p>Fail</p>	<p>The Trustee has deemed votes related to Climate Change and the approximate size of the holding at more than 4% to be a significant vote.</p>

<p>Company name: Shell Plc</p> <p>Approximate size of holding as at date of the vote: 7.6%</p>	<p>Summary of resolution: Approve the Shell Energy Transition Strategy</p> <p>Date of vote: 21/05/2023</p>	<p>For</p>	<p>There is no voting reason as the vote was in line with management recommendation.</p>	<p>Pass</p>	<p>The Trustee has deemed votes related to Climate Change and the approximate size of the holding at more than 4% to be a significant vote.</p>
<p>Company name: Unilever Plc</p> <p>Approximate size of holding as at date of the vote: 4.2%</p>	<p>Summary of resolution: Approve Climate Transition Action Plan</p> <p>Date of vote: 01/05/2023</p>	<p>For</p>	<p>There is no voting reason as the vote was in line with management recommendation.</p>	<p>Pass</p>	<p>The Trustee has deemed votes related to Climate Change and the approximate size of the holding at more than 4% to be a significant vote.</p>

Aquila Life World (ex UK) Equity Index Fund & Aquila Life Currency Hedged World (ex UK) Equity Index Fund

Same voting statistics apply for the Aquila Life Currency Hedged World (ex UK) Equity Index Fund.

A summary of the voting undertaken over the year to 31 May 2024 is provided below:

- BlackRock has voted in 2086 meetings of 2102 eligible meetings. In these meetings, there were a total of 25,892 votable proposals.
- BlackRock has voted on 99% of resolutions where they were eligible to vote. In around 93% of these votes for proposals BlackRock has indicated their support to the companies' management, while voting against management in around 6% of the proposals*.

Holding details	Resolution details	How the manager voted	Reason for manager's vote and next steps	Outcome of the vote	Why vote is Significant
<p>Company name: Apple Inc.</p> <p>Approximate size of holding as at date of the vote: 4.6%</p>	<p>Summary of resolution: Report on risks of omitting viewpoint and ideological diversity from EEO Policy</p> <p>Date of vote: 28/02/2024</p>	Against	<p>The company already provides sufficient disclosure and/or reporting regarding its diversity and inclusion initiatives.</p> <p>BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	Fail	<p>The Trustee has deemed votes related to Diversity, Equity and Inclusion and the approximate size of the holding at more than 4% to be a significant vote.</p>

<p>Company name: Apple Inc.</p> <p>Approximate size of holding as at date of the vote: 4.6%</p>	<p>Summary of resolution: Report on median gender/racial pay gap</p> <p>Date of vote: 28/02/2024</p>	<p>Against</p>	<p>The company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures.</p> <p>BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	<p>Fail</p>	<p>The Trustee has deemed votes related to Diversity, Equity and Inclusion and the approximate size of the holding at more than 4% to be a significant vote.</p>
<p>Company name: Apple Inc.</p> <p>Approximate size of holding as at date of the vote: 4.6%</p>	<p>Summary of resolution: Report on congruency of Company's privacy and human rights policies with its actions</p> <p>Date of vote: 28/02/2024</p>	<p>Against</p>	<p>The Company already maintains significant privacy- and human rights-related disclosures and policies, as well as board oversight of this issue.</p> <p>BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	<p>Fail</p>	<p>The Trustee has deemed votes related to Human Rights and the approximate size of the holding at more than 4% to be a significant vote.</p>
<p>Company name: Microsoft Corporation</p> <p>Approximate size of holding as at date of the vote: 4.8%</p>	<p>Summary of resolution: Report on gender-based compensation and benefits inequities</p> <p>Date of vote: 07/12/2023</p>	<p>Against</p>	<p>Company already has policies in place to address these issues.</p> <p>BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	<p>Fail</p>	<p>The Trustee has deemed votes related to Diversity, Equity and Inclusion and the approximate size of the holding at more than 4% to be a significant vote.</p>

<p>Company name: Microsoft Corporation</p> <p>Approximate size of holding as at date of the vote: 4.8%</p>	<p>Summary of resolution: Report on climate risk in retirement plan options</p> <p>Date of vote: 07/12/2023</p>	<p>Against</p>	<p>Company already has policies in place to address these issues.</p> <p>BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	<p>Fail</p>	<p>The Trustee has deemed votes related to Climate Change and the approximate size of the holding at more than 4% to be a significant vote.</p>
<p>Company name: Microsoft Corporation</p> <p>Approximate size of holding as at date of the vote: 4.8%</p>	<p>Summary of resolution: Report on risks of operating in countries with significant human rights concerns</p> <p>Date of vote: 07/12/2023</p>	<p>Against</p>	<p>Company already has policies in place to address these issues.</p> <p>BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	<p>Fail</p>	<p>The Trustee has deemed votes related to Human Rights and the approximate size of the holding at more than 4% to be a significant vote.</p>

Aquila Life Global Minimum Volatility Fund

A summary of the voting undertaken over the year to 31 May 2024 is provided below:

- BlackRock has voted in 338 meetings of 340 eligible meetings. In these meetings, there were a total of 4,809 votable proposals.
- BlackRock has voted on 99% of resolutions where they were eligible to vote. In around 96% of these votes for proposals BlackRock has indicated their support to the companies' management, while voting against management in around 3% of the proposals.*

In the absence of any votes that meet the Trustee's criteria of 'significant vote', the table below outlines 3 votes that do not fully meet the Trustee's criteria.

Holding details	Resolution details	How the manager voted	Reason for manager's vote and next steps	Outcome of the vote	Why vote is Significant
<p>Company name: PepsiCo, Inc.</p> <p>Approximate size of holding as at date of the vote: 1.3%</p>	<p>Summary of resolution: Report on risks created by the Company's diversity, equity, and inclusion efforts</p> <p>Date of vote: 01/05/2024</p>	Against	<p>The company already has policies in place to address the request being made by the proposal, or is already enhancing its relevant policies.</p> <p>BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	Fail	<p>This vote does not meet the Trustee's criteria of 'significant vote' as the size of the holding is not at least 4%. However, the vote relates to Diversity, Equity and Inclusion, which is one of the Trustee's stewardship priorities.</p>

<p>Company name: Microsoft Corporation</p> <p>Approximate size of holding as at date of the vote: 0.7%</p>	<p>Summary of resolution: Report on risks of operating in countries with significant human rights concerns</p> <p>Date of vote: 07/12/2023</p>	<p>Against</p>	<p>Company already has policies in place to address these issues.</p> <p>BlackRock endeavours to communicate to companies when intends to vote against management, either before or just after casting votes in advance of the shareholder meeting.</p>	<p>The manager did not disclose the outcome of the vote.</p>	<p>This vote does not meet the Trustee's criteria of 'significant vote' as the size of the holding is not at least 4%. However, the vote relates to Human Rights, which is one of the Trustee's stewardship priorities.</p>
<p>Company name: Glencore Plc</p> <p>Approximate size of holding as at date of the vote: 0.2%</p>	<p>Summary of resolution: Approve 2024-2026 Climate Action Transition Plan</p> <p>Date of vote: 29/05/2024</p>	<p>For</p>	<p>There is no voting reason as the vote was in line with management recommendation.</p>	<p>Pass</p>	<p>This vote does not meet the Trustee's criteria of 'significant vote' as the size of the holding is not at least 4%. However, the vote relates to Climate Change, which is one of the Trustee's stewardship priorities.</p>

BlackRock Emerging Markets Index Sub-Fund

A summary of the voting undertaken over the year to 31 May 2024 is provided below:

- BlackRock has voted in 2765 meetings of 2790 eligible meetings. In these meetings, there were a total of 21,934 votable proposals.
- BlackRock has voted on 99.1% of resolutions where they were eligible to vote. In around 86% of these votes for proposals BlackRock has indicated their support to the companies' management, while voting against management in around 13% of the proposals.*

In the absence of any votes that meet the Trustee's criteria of 'significant vote', the table below outlines 3 votes that do not fully meet the Trustee's criteria.

Holding details	Resolution details	How the manager voted	Reason for manager's vote and next steps	Outcome of the vote	Why vote is Significant
<p>Company name: Taiwan Semiconductor Manufacturing Co., Ltd.</p> <p>Approximate size of holding as at date of the vote: 6.9%</p>	<p>Summary of resolution: Approve Business Operations Report and Financial Statements</p> <p>Date of vote: 06/06/2023</p>	For	There is no voting reason as the vote was in line with management recommendation.	Pass	The Trustee has not deemed this vote significant as it does not relate to its stewardship priorities. However, the size of the holding is higher than 4%.

<p>Company name: Tencent Holdings Limited</p> <p>Approximate size of holding as at date of the vote: 4.0%</p>	<p>Summary of resolution: Authorise board to fix remuneration of directors</p> <p>Date of vote: 14/05/2024</p>	<p>For</p>	<p>There is no voting reason as the vote was in line with management recommendation.</p>	<p>Pass</p>	<p>The Trustee has not deemed this vote significant as it does not relate to its stewardship priorities. However, the size of the holding is 4%.</p>
<p>Company name: Tencent Holdings Limited</p> <p>Approximate size of holding as at date of the vote: 4.0%</p>	<p>Summary of resolution: Authorise repurchase of issued share capital</p> <p>Date of vote: 14/05/2024</p>	<p>For</p>	<p>There is no voting reason as the vote was in line with management recommendation.</p>	<p>Pass</p>	<p>The Trustee has not deemed this vote significant as it does not relate to its stewardship priorities. However, the size of the holding is 4%.</p>

** Note: Instructions of Do Not Vote are not considered voted. 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.*