

# Engagement Policy Implementation Statement for the Year Ended 31 December 2024

## The Trustee of the CAB International Pension Scheme - IFIS Section (“the Section”)

### 1. INTRODUCTION

The Engagement Policy Implementation Statement (known as the Statement) presents the Trustee's assessment of how, and the extent to which, they have followed their engagement policy and their policy with regard to the exercise of rights (including voting rights) attaching to the Section's investments throughout the one-year period ending 31 December 2024 (the “Section Year”). The Trustee's policies are outlined in their Statement of Investment Principles (SIP) dated November 2022, which was the in-force SIP as at 31 December 2024. A copy of the Trustee's SIP is available at <https://weareigg.com/client-docs/cab-international-pension-scheme/>. A copy of this Trustee's SIP is available at <https://weareigg.com/client-docs/cab-international-pension-scheme/>. Following the end of the Scheme Year, an updated Statement of Investment Principles for the CABI Section, as at January 2025, was approved by the Trustee and made publicly available on the above link

This Statement has been prepared in accordance with the *Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019* and the guidance published by the Department for Work and Pensions.

The Trustee has appointed Mercer Limited (Mercer) as the discretionary investment manager and the Section's public market assets are invested in a diverse range of specialised pooled funds (known as the Mercer Funds). The management of each of the Mercer Fund's assets is carried out by a Mercer affiliate, namely Mercer Global Investments Europe Limited (MGIE)

The relevant Mercer affiliate is responsible for the appointment and monitoring of a suitably diversified portfolio of specialist third party investment managers for the assets of each Mercer Fund.

The publicly available Sustainability Policy sets out how Mercer addresses sustainability risks and opportunities and considers Environmental, Social and Corporate Governance (ESG) factors in decision making across the investment process. The Stewardship Policy provides more detail on Mercer's beliefs and implementation on stewardship specifically. Under these arrangements, the Trustee accepts that they do not have the ability to directly determine the engagement or voting policies or arrangements of the managers of the Mercer Funds. However, the Trustee has reviewed these policies and notes an awareness of engagement topics that are important to the Section. Mercer's Client Engagement Survey seeks to integrate the Trustee's views on specific themes by assessing the level of alignment between Mercer's engagement priority areas and those of the Trustee, while highlighting additional areas of focus which are important to the Trustee. The Trustee reviews regular reports from Mercer with regard to the engagement and voting undertaken within the Mercer Funds in order to consider whether the policies align with those of the Trustee.

Section 2 of this Statement outlines the Trustee's engagement policy and evaluates the extent to which it has been followed during the Scheme Year.

Section 3 sets out the Trustee's policy regarding the exercising of rights (including voting rights) attached to the Section's investments. This Section also provides detailed information on the voting activities undertaken by third-party investment managers appointed within the Mercer Funds during the Section Year.

**Considering the analysis presented in Sections 2 to 3, the Trustee believes that their policies with regard to engagement and the exercise of rights attaching to investments have been successfully followed during the Section Year.**

## **2. TRUSTEE'S POLICY ON ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) ISSUES, INCLUDING CLIMATE CHANGE**

### **Policy Summary**

The Trustee believes that environmental, social, and corporate governance (ESG) factors may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration.




The Trustee considers how ESG, climate change and stewardship is integrated within Mercer's, and MGIE's, investment processes and those of the underlying asset managers in the monitoring process. Mercer, and MGIE, is expected to provide reporting to the Trustee on a regular basis, at least annually, on ESG integration progress, stewardship monitoring results, and climate-related metrics such as carbon foot printing for equities and other asset classed where relevant and data is available and/or climate transition analysis for diversified growth portfolios.

Should the Trustee consider that the engagement policies of Mercer, MGIE or the third party asset managers, do not align with those of the Trustee, the Trustee will notify Mercer and consider disinvesting some or all of the assets held in the Mercer Funds and/or seek to renegotiate commercial terms with Mercer.

The Trustee has also considered the Sponsors responsible investment policy and note they are ahead of the curve with their core activities being carbon neutral.

## How the Policy has been implemented over the Section Year

The following work was undertaken during the year relating to the Trustee's policy on sustainability integration, including the climate transition and effective stewardship.

|  <b>Policy Updates</b>  |  <b>Climate Change Reporting and Carbon Foot printing</b>  |  <b>Mercer Ratings</b>   |
|--|---|---|
| <p>The Trustee considers how ESG, climate change and stewardship are integrated within Mercer's, and MGIE's, investment processes and those of the underlying asset managers within the Mercer Funds, in their monitoring process. Mercer, and MGIE, provide reporting to the Trustees on a regular basis.</p> <p>The Mercer Sustainability Policy is reviewed regularly, with updates in November 2024 including an update to Mercer's Investment Philosophy. Mercer also regularly reviews its approach to integrating climate considerations into its investment decision-making process as documented in its Task Force on Climate Related Financial Disclosures (TCFD) report.</p> <p>In line with the requirements of the EU Shareholder Rights Directive II (SRD II), Mercer has implemented a standalone Stewardship Policy to specifically address the requirements of SRD II.</p> <p>The most recent UN Principles of Responsible Investment results (based on 2022 activity) awarded Mercer with 4 out of 5 stars for Policy Governance and Strategy.</p> | <p>Consideration of the impacts of climate change has been central to Mercer's global investment beliefs since 2014. Mercer and the Trustee believes climate change poses a systemic risk, with financial impacts driven by two key sources of change:</p> <ol style="list-style-type: none"><li>1. The physical damages expected from an increase in average global temperatures</li><li>2. The associated transition to a low-carbon economy</li></ol> <p>Each of these changes presents both risks and opportunities to investors. Mercer therefore considers the potential financial impacts at a diversified portfolio level, in portfolio construction within asset classes, and in investment manager selection and monitoring processes.</p> <p>In early 2021, Mercer announced its aim to achieve net-zero absolute portfolio carbon emissions by 2050 for UK, European and Asian clients with discretionary portfolios and for the majority of its multi-client, multi-asset funds domiciled in Ireland. To achieve this, Mercer also established an expectation that portfolio carbon emissions intensity would reduce by 45% from 2019 baseline levels and is on track to achieve this. Mercer's approach to managing climate change risks is</p> | <p>Where available, ESG ratings assigned by Mercer are included in the investment performance reports produced by Mercer on a quarterly basis and reviewed by the Trustee. ESG ratings are reviewed by MGIE during quarterly monitoring processes, with a more comprehensive review performed annually - which seeks evidence of positive momentum on ESG integration and compares the Irish domiciled Mercer Funds overall ESG rating with the appropriate universe of strategies in Mercer's Global Investment Manager Database (GIMD). Engagements are prioritised with managers where their strategy's ESG rating is behind that of their peer universe.</p> <p>As of 31 December 2023, in the Annual Sustainability Report provided by Mercer, the Trustee noted that all the Mercer Funds held by the Section either have similar or better ESG ratings than their respective wider universe. Due to the nature of certain strategies, they do not have an ESG rating (i.e. are N rated) and are therefore excluded from this review.</p> <p>Mercer is introducing a new integration framework for its manager research due diligence, which will replace the existing ESG ratings in 2025.</p> |

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consistent with the framework recommended by the Financial Stability Board's Task Force on Climate related Financial Disclosures (TCFD), as described in Mercer's latest TCFD [Report](#).



### Approach to Exclusions

Mercer and MGIE's preference is to emphasise integration and stewardship approaches, however, in a limited number of instances, exclusions of certain investments may be necessary based on Mercer's Investment Exclusions or Sensitive Topics Frameworks. Controversial weapons and civilian firearms are excluded from all multi-client equity and fixed income funds. In addition, tobacco companies (based on revenue) and nuclear weapons are excluded from active equity and fixed income funds. The Mercer sustainability-themed funds have additional exclusions, for example covering gambling, alcohol, adult entertainment and fossil fuels.

In addition, Mercer and MGIE monitors for high-severity breaches relating to the UN Global Compact (UNGC) Principles that relate to human rights, labour, environmental and corruption issues.



### Diversity

Mercer Limited is a member of The Diversity. Mercer's ambition to promote diversity extends beyond its own business through to the managers it appoints. This is partly assessed within the manager research process and documented in a dedicated section within research reports.

Mercer considers broader forms of diversity in decision-making but currently report on gender diversity. As of 31 December 2023, all of active equity funds held by the Section had an equal to or higher female board representation than their benchmarks.



## Engagement

The 2024 Stewardship Report highlights the engagement objectives which have been set, examples of engagement and the escalation process and participation in collaborative initiatives. Mercer's annual Global Manager Engagement Survey on sustainability and stewardship topics, now in its third year, was distributed to over 200 managers. The survey seeks to gather information from each manager appointed in the Mercer Funds on their broad approach to stewardship as part of their investment integration, as well as gain insights and examples of voting and engagement activities. The results from the survey provides an important source of information for tracking and measuring our managers' stewardship efforts to assess effectiveness and to identify potential areas for improvement. Results and insights from the survey will be shared in Mercer's Annual Stewardship Report which is reviewed by the Trustee.

### 3. TRUSTEE'S POLICY ON EXERCISE OF RIGHTS (INCLUDING VOTING RIGHTS) ATTACHING TO SECTION INVESTMENTS

The Trustee's policy is to delegate responsibility for the discretionary investment management of Section's public market assets to Mercer, and to invest the Section's public market assets in a range of Mercer Funds for which MGIE or relevant Mercer affiliate acts as investment manager. In order for the Trustee to discharge its obligations with respect of voting and engagement, it requires reporting on the engagement and voting undertaken within the Mercer Funds in order to consider whether the policies align with those of the Trustee.

Voting rights that apply with respect to the underlying investments attached to the Mercer Funds are, ultimately, delegated to the third party investment managers appointed by MGIE. In delegating these rights, MGIE accepts that managers are typically best placed to exercise voting rights and prioritise particular engagement topics by security, given they are expected to have detailed knowledge of both the governance and the operations of the companies and issuers they invest in. However, Mercer has a pivotal role in monitoring their stewardship activities and promoting more effective stewardship practices, including ensuring attention is given to more strategic themes and topics. As such, proxy voting responsibility is given to listed equity investment managers with an expectation that all shares are to be voted in a timely manner and a manner deemed most likely to protect and enhance long-term value. Mercer and MGIE carefully evaluates each sub-investment manager's capability in ESG engagement and proxy voting, as part of the selection process to ensure it is representing Mercer's commitment to good governance, integration of sustainability considerations. Managers are expected to take account of current best practice such as the UK Stewardship Code, to which Mercer is a signatory. As such the Trustee does not use the direct services of a proxy voter.

Voting: As part of the monitoring of managers' approaches to voting, MGIE assesses how managers are voting against management and seeks to obtain the rationale behind voting activities, particularly in cases where split votes may occur (where managers vote in different ways for the same proposal). MGIE portfolio managers will use these results to inform their engagements with managers on their voting activities.

Set out below is a summary of voting activity for the year to 4 for a range of Mercer Funds that comprise the Section's Diversified Growth Fund. The statistics set out in the table below are drawn from the Glass Lewis voting system (via the custodian of the Mercer Funds). Typically, votes exercised against management can indicate a thoughtful and active approach. This is particularly visible where votes have been exercised to escalate engagement objectives. The expectation is for all shares to be voted.

Please note that voting activity data is not available for the funds held with M&G Investments, Fidera Limited and Taconic Capital, due to the nature of these investments. The remainder of the Section's assets are invested in assets with no voting rights and are therefore not considered below.

| Fund  | Total Proposals    |                    | Vote Decision |         |         |           |       | For/Against Mgmt |         | Meetings |         |
|---|--------------------|--------------------|---------------|---------|---------|-----------|-------|------------------|---------|----------|---------|
|   | Eligible Proposals | Proposals Voted On | For           | Against | Abstain | No Action | Other | For              | Against | No.      | Against |
| Mercer Multi-Asset Credit Fund <sup>(1)</sup>                     | 60                 | 47                 | 78%           | 0%      | 3%      | 18%       | 0%    | 74%              | 26%     | 6        | 17%     |
| Mercer Fundamental Indexation Global Equity CCF                   | 2,852              | 2,687              | 83%           | 11%     | 0%      | 6%        | 0%    | 83%              | 17%     | 209      | 72%     |
| Mercer Passive Climate Transition Infrastructure Equity UCITS CCF | 3,755              | 3,526              | 70%           | 23%     | 2%      | 4%        | 0%    | 75%              | 25%     | 361      | 71%     |
| Mercer Passive Global Equity CCF                                  | 20,216             | 17,529             | 76%           | 11%     | 0%      | 13%       | 0%    | 82%              | 18%     | 1424     | 71%     |
| Mercer Passive Emerging Markets Equity Fund                       | 22,462             | 20,951             | 75%           | 18%     | 2%      | 4%        | 0%    | 80%              | 20%     | 2648     | 51%     |
| Mercer Passive Global REITS UCITS CCF                             | 2,983              | 2,877              | 77%           | 19%     | 0%      | 3%        | 0%    | 78%              | 22%     | 313      | 69%     |
| Mercer Passive Sustainable Global Equity UCITS CCF                | 16,658             | 16,127             | 77%           | 20%     | 1%      | 3%        | 0%    | 78%              | 22%     | 1132     | 80%     |

<sup>(1)</sup> Voting Activity figures for the Mercer Multi-Asset Credit fund relate to a small number of equity holdings within the fund's underlying segregated mandates. Please note this does not include voting activity from any underlying pooled strategies within the fund over the period

There are a number of limited circumstances where voting rights may not be exercised relating to, for example, conflicts of interest, share-blocking markets, power of attorney (POA) markets etc.

- "Eligible Proposals" reflect all proposals of which managers were eligible to vote on over the period
- "Proposals Voted On" reflect the proposals managers have voted on over the period (including votes For and Against, and any frequency votes encompassed in the "Other" category)"
- "No Action" reflects instances where managers have not actioned a vote. MGIE may follow up with managers to understand the reasoning behind these decisions, and to assess the systems managers have in place to ensure voting rights are being used meaningfully
- "Other" refers to proposals in which the decision is frequency related (e.g. 1 year or 3 year votes regarding the frequency of future say-on-pay).
- "Meetings No." refers to the number of meetings the managers were eligible to vote at.
- "Meetings Against" refers to the no. of meetings where the managers voted at least once against management, reported as a % of the total eligible meetings.

**Significant Votes:** The Trustee has based the definition of significant votes on Mercer's Beliefs, Materiality and Impact (BMI) Framework. Reported below are the most significant proposals over the period. Significant proposals are determined using the following criteria:

1. The proposal topic relates to an Engagement Priority (climate change, human/labour rights, and diversity). This is classified in the “Proposal Description” column below, referenced as Environmental, Social, and Governance respectively.

2. The *most* significant proposals reported below relate to the three companies with the largest weight in each fund (relative to other companies in the full list of significant proposals).

## Most Significant Votes

| Fund                                      | Company<br>(Holding Weight)     | Meeting Date - Proposal Text<br>(Significance Category)  | Manager Vote Decision<br>(Communication of vote against management - Rationale if available)  | Proposal Outcome<br>(Next steps if available)   |
|---|---------------------------------|--|---|---|
| Mercer<br>Passive<br>Global Equity<br>CCF | Apple Inc<br>(4.0%)             | 28/02/2024: Shareholder Proposal Regarding Congruency Report on Privacy and Human Rights Policies<br>(Social)  | <b>Against</b><br>(N/A – Manager did not support this proposal as they felt the company provided sufficient disclosure through its existing reporting.)   | <b>2% Support</b><br>Proposal did not pass.<br>(N/A)  |
|   | Apple Inc<br>(4.0%)             | 28/02/2024: Shareholder Proposal Regarding Equal Employment Opportunities (EEO) Policy Risk Report<br>(Social)   | <b>Against</b><br>(N/A - Manager did not support this proposal as they felt the company already provides sufficient information through existing reporting, that covers the majority of the information requested.)   | <b>1% Support</b><br>Proposal did not pass.<br>(N/A)  |
|   | Apple Inc<br>(4.0%)             | 28/02/2024: Shareholder Proposal Regarding Median Gender and Racial Pay Equity Report<br>(Social)  | <b>For</b><br>(No – Manager voted in support of the proposal as they believe a report would benefit gender and racial pay equity through increasing transparency and comparability across time and organisations.)  | <b>31% Support</b><br>Proposal did not pass.<br>(The Manager will continue to support reasonable shareholder resolutions that request increased disclosure in terms of gender and racial pay equity, particularly if this is a practice already carried out by the company in one of their jurisdictions.)  |
|   | Microsoft Corporation<br>(4.4%) | 10/12/2024: Shareholder Proposal Regarding Report on Risks of Providing AI to Facilitate New Oil and Gas Development and Production<br>(Environmental) | <b>For</b><br>(No – A vote FOR this proposal is warranted, as shareholders would benefit from additional disclosure related to the potential risks associated with the use of the company's artificial intelligence and machine learning tools for new oil and gas development and production.) | <b>10% Support</b><br>Proposal did not pass.<br>(Manager engages with Microsoft on the topic of net zero. Deployment of advanced technology for the fossil fuel industry exposes it to material reputational, competitive, and operational risk. Manager intends to continue to monitor the company's progress on the topic or any potential amendments.) |



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| Mercer<br>Passive<br>Sustainable<br>Global Equity<br>UCITS CCF | Apple Inc<br>(5.5%)                | 28/02/2024: Shareholder<br>Proposal Regarding<br>Congruency Report on<br>Privacy and Human Rights<br>Policies<br>(Social)   | <b>Against</b><br>(N/A – Manager did not support this proposal as they felt the company provided sufficient disclosure through its existing reporting.)  | <b>2% Support</b><br>Proposal did not pass.<br>(N/A)   |
|  | Apple Inc<br>(5.5%)                | 28/02/2024: Shareholder<br>Proposal Regarding Equal<br>Employment Opportunities<br>(EEO) Policy Risk Report<br>(Social)   | <b>Against</b><br>(N/A - Manager did not support this proposal as they felt the company already provides sufficient information through existing reporting, that covers the majority of the information requested.)                                    | <b>1% Support</b><br>Proposal did not pass.<br>(N/A)   |
|  | Apple Inc<br>(5.5%)                | 28/02/2024: Shareholder<br>Proposal Regarding Median<br>Gender and Racial Pay<br>Equity Report<br>(Social)  | <b>For</b><br>(No – Manager voted in support of the proposal as they believe a report would benefit gender and racial pay equity through increasing transparency and comparability across time and organisations.)                                     | <b>31% Support</b><br>Proposal did not pass.<br>(The Manager will continue to support reasonable shareholder resolutions that request increased disclosure in terms of gender and racial pay equity, particularly if this is a practice already carried out by the company in one of their jurisdictions.) |
|  | Microsoft<br>Corporation<br>(7.0%) | 10/12/2024: Shareholder<br>Proposal Regarding Report<br>on Risks of Providing AI to<br>Facilitate New Oil and Gas<br>Development and<br>Production<br>(Environmental) | <b>Against</b><br>(No – The manager voted against this proposal as the raised do not present significant material risks at this time and the company provides sufficient disclosure on its approach to providing services to energy sector customers.) | <b>10% Support</b><br>Proposal did not pass.<br>(N/A.)   |



| Fund  | Company<br>(Holding Weight) | Meeting Date: Proposal Text<br>(Significance Category)   | Manager Vote Decision<br>(Intention to vote against management communicated – Rationale, if available)  | Proposal Outcome<br>(Next steps to report, if any)   |
|---|-----------------------------|--|---|--|
| Mercer Fundamental Indexation Global Equity CCF | Apple Inc<br>(3.1%)         | 28/02/2024: Shareholder Proposal Regarding Median Gender and Racial Pay Equity Report<br>(Social)              | <b>For</b><br>(No – Apple does not publish for its U.S. or global workforce the same gender pay gap statistic as it publishes in the UK. The median pay gap statistic provides benefits such as transparency and comparability across time and organizations and serves as one measure of representation of women and racial and ethnic minorities in senior positions. Because it is expressing a gap, it also carries an implied goal of eliminating the gap. As the company discloses for its U.K. workforce, investors would benefit from a report concerning the median pay gap data for its U.S. or its global workforce as a means of allowing them to better gauge how well the company is advancing opportunities for women globally and racial and ethnic minorities in the U.S. and mitigating risks relating to increasing public scrutiny on gender and racial/ethnic pay equity issues. Therefore, shareholder support for this proposal is warranted.) | <b>30.9% Support</b><br>Proposal did not pass.<br>(The Manager will continue to support reasonable shareholder resolutions that request increased disclosure in terms of gender and racial pay equity, particularly if this is a practice already carried out by Apple in one of their jurisdictions.) |
|   |                             | 28/02/2024: Shareholder Proposal Regarding Congruency Report on Privacy and Human Rights Policies<br>(Social)  | <b>Against</b><br>(N/A – Apple provides shareholders with sufficient disclosure through its Supplier Code of Conduct and Supplier Responsibility Standards and Transparency Report, among other available documents, to assess its management of risks related to its operations in high-risk markets and do have policies and oversight mechanisms in place that seem to address human rights concerns and how the company aligns with its mission to protect human rights raised by the proponent. As such, shareholder support for the proposal is not warranted at this time.)  | <b>1.6% Support</b><br>Proposal did not pass.<br>(N/A)   |
|   |                             | 28/02/2024: Shareholder Proposal Regarding Equal Employment Opportunities (EEO) Policy Risk Report<br>(Social) | <b>Against</b><br>(N/A – The company's EEO policy states Apple's commitment to equal employment opportunity, diversity, and inclusion. Its Business Code of Conduct states that it does not tolerate discrimination or harassment. The company discloses detailed information on its diversity and inclusion initiatives and metrics. The company appears to be providing shareholders with sufficient disclosure to evaluate its diversity and inclusion efforts and non-discrimination policies, and including ideology and viewpoint in EEO policies does not appear to be a standard industry or market practice at this time. As such, shareholder support for this proposal is not warranted.)  | <b>1.3% Support</b><br>Proposal did not pass.<br>(N/A)   |

|  |                              |  |   |  |
|--|------------------------------|--|---|--|
|  | Meta Platforms Inc<br>(3.6%) | 29/05/2024: Shareholder Proposal Regarding Report on Human Rights Risks in Non-U.S. Markets<br>(Social)                      | <b>For</b><br>(No – A vote FOR this proposal is warranted as increased transparency and disclosure would allow shareholders to better evaluate the effectiveness of the company's efforts in managing human rights risks related to content moderation in its five largest non-U.S. markets.)   | <b>5.5% Support</b><br>Proposal did not pass.<br>(The Manager's approach to voting on issues related to human rights at investee companies will involve consideration of evidence that there is respect for, support and protection of fundamental human rights.)  |
|  |                              | 29/05/2024: Shareholder Proposal Regarding Human Rights Impact Assessment of AI Used in Targeted Advertising<br>(Social)     | <b>For</b><br>(No – A vote FOR this proposal is warranted, as an independent Human Rights Impact Assessment would help shareholders better assess Meta's management of risks related to its targeted advertising policies and practices.)   | <b>14.4% Support</b><br>Proposal did not pass.<br>(The Manager's approach to voting on issues related to human rights at investee companies will involve consideration of evidence that there is respect for, support and protection of fundamental human rights.)   |
|  |                              | 29/05/2024: Shareholder Proposal Regarding Lobbying Activity Alignment with Net Zero Emissions Commitment<br>(Environmental) | <b>For</b><br>(No – A vote FOR this proposal is warranted at this time. The request is not considered overly onerous or prescriptive, and shareholders would benefit from greater transparency of the company's direct and indirect climate lobbying, and how the company would plan to mitigate any risks that might be identified.) | <b>8.2% Support</b><br>Proposal did not pass.<br>(Manager considers that it is inappropriate for corporate lobbying to be undertaken that works against the fundamental rights of shareholders and where the outcome of such lobbying would not be in the long-term interests of shareholders.<br><br>Manager expects transparency of the use of shareholder funds for such activities and will generally support shareholder resolutions that seek greater disclosures in relation to corporate lobbying and political donations, and the related company policies which oversee such donations.) |
|  | Alphabet Inc<br>(5.2%)       | 07/06/2024: Shareholder Proposal Regarding Equal Employment Opportunities (EEO) Policy Risk Report<br>(Social)               | <b>Against</b><br>(No – A vote AGAINST this resolution is warranted as the company's current policies, commitments, and disclosures provide sufficient information for investors to determine how the company mitigates any risks associated with its EEO Policy.)  | <b>0.2% Support</b><br>Proposal did not pass.<br>(Manager will generally vote in support of shareholder proposals that seek to promote an inclusive culture, including proposals requesting disclosure of: (i) diversity and inclusion policies; (ii) disclosure of CEO, gender, race and ethnic pay gaps and equity audits; and (iii) disclosure of policies related to anti-discrimination and anti-harassment. This list is not exhaustive)   |

|  |                        |   |  |   |
|--|------------------------|---|--|---|
|  | Alphabet Inc<br>(5.2%) | 07/06/2024: Shareholder<br>Proposal Regarding Human<br>Rights Impact Assessment<br>of AI-Driven Targeted<br>Advertising<br>(Social) | For<br><i>(No – A vote FOR this proposal is warranted because an independent human rights assessment on the impacts would help shareholders better evaluate the company's management of risks related to the human rights impacts of its targeted advertising policies and practices.)</i> | <b>18.5% Support</b><br>Proposal did not pass.<br><i>(In general, Manager's approach to voting on issues related to human rights at investee companies will involve consideration of evidence that there is respect for, support and protection of fundamental human rights.)</i> |
|--|------------------------|---|--|---|

**Note** – These funds, namely the **Mercer Passive Global REITS UCITS CCF**, **Mercer Multi-Asset Credit Fund** and the **Mercer Passive Emerging Markets Equity Fund**, do not have any votes deemed to be significant based on our definition of significant votes. Our definition specifically focuses on Mercer's Global Engagement Priority Themes.